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Terrorism in Northern Ireland

A sectarian attack on the congregation of a Pentecostal chapel in county Armagh on 20 November in which three people died and 11 were injured has been widely condemned in the United Kingdom and the Irish Republic. Although the Official Unionist members have decided to withdraw from the Northern Ireland Assembly, the Assembly will continue in its scrutinising and deliberative role. On 7 December Mr Edgar Graham, an Official Unionist member of the Northern Ireland Assembly, was murdered.

In a statement in the House of Commons on 21 November (*Hansard*, Vol 49, No 53, cols 23-8) the Secretary of State for Northern Ireland, Mr James Prior, said that the attack on the Mountain Lodge Pentecostal Gospel Hall near the village of Darkley in county Armagh had been made by at least three men armed with automatic weapons. Responsibility for the attack had been claimed by a body calling itself the Catholic Reaction Force; one of the weapons used had previously been used in incidents for which the Irish National Liberation Army was responsible.

Mr Prior said that in the course of the 14-year terrorist campaign there had been incidents involving greater loss of life but none had involved the cold-blooded murder of people at worship. The shooting showed the true nature of terrorism and of those who perpetrated it and advocated and supported it. This 'hideous act' had been condemned from all sides of the community and from all parts of the United Kingdom and the Republic of Ireland. The Government of the Republic had given the strongest possible assurances of its full co-operation in pursuing those responsible. The Royal Ulster Constabulary, assisted by the Army, was determined to arrest the murderers.

Northern Ireland Assembly

Following the attack the Official Unionist group of the Northern Ireland Assembly voted by 21 to 4 to withdraw its 27 members from the Assembly until the Government gave satisfactory assurances on security and devolution. As a result of this decision those attending the 78-member Assembly (see p 341, 1982) will comprise the 21 members of the Democratic Unionist Party, the 10 members of the Alliance Party and 2 Independent Unionists. Neither the 13 Social Democratic and Labour Party members nor the five members of Sinn Fein have taken their seats in the Assembly which first met in November 1982. Although the Assembly will not now be in a position to present proposals for devolution to the Secretary of State for Northern Ireland (since such proposals must have the support of at least 50 per cent of the members), it will be able to continue its present functions of scrutinising and commenting upon the work of government in Northern Ireland.

Security

As a result of concern about security in the border areas expressed in Northern Ireland after the killings at Darkley, Mr Prior invited the leaders of the Official Unionist Party, the Democratic Unionist Party, the Social Democratic and Labour Party and the Alliance Party to discuss with him, the Chief Constable of the Royal Ulster Constabulary and the General Officer Commanding the question of security policy. On 25 November it was reported that all except the leader of the Alliance Party had refused the invitation. In a statement issued the same day Mr Prior expressed his regret at the refusal of 'elected political representatives, in the light of their expressed views,' to meet him in order that there should be greater understanding of the policy and tactics being employed. He said that the intensive operations which had taken place in the border area in particular and throughout Northern Ireland would continue.

Murder of Mr Edgar Graham

Mr Edgar Graham, an Official Unionist member of the Northern Ireland Assembly, was murdered outside Queen's University, Belfast where he was a lecturer in the law department. The Provisional IRA admitted responsibility for his death. Speaking on 8 December in the debate on the renewal of the Northern Ireland (Emergency Provisions) Act 1978 for a further six months, Mr Prior referred to the killings at Darkley, the murder of Mr Graham and other killings by terrorists from both sides of the community in recent weeks (*Hansard*, Vol 50, No 66, col 522). He said that the Government's security policy was to put an end to terrorism and emphasised that this had to be done by means that were within the law. Earlier Mr Prior had condemned the 'callous hypocrisy' of members of Provisional Sinn Fein who sought to take part in the democratic process and yet at the same time supported the use of violence.

Royal Commission on Legal Services: Government Response

The Government's response to the Report of the Royal Commission on Legal Services was published in a White Paper on 8 November.[1] This records the action taken by the Government on recommendations made by the Commission on matters for which the Government is responsible. The Commission's report, published in 1979, contained recommendations affecting all aspects of legal services in England, Wales and Northern Ireland.[2] The Government will make separate announcements when appropriate about those recommendations which are still under consideration.

The Royal Commission on Legal Services was set up in 1976, under the chairmanship of Sir George (now Lord) Benson, to review the provision of legal services and the need for changes in the structure, organisation, training, remuneration and regulation of the legal profession, in entry to it and in the rules which prevent non-lawyers from engaging for reward in conveyancing and certain other classes of business (see p 100, 1976). The Commission reported in October 1979, making a total of 369 recommendations for the improvement of legal services (see pp 307-9, 1979).

Government Response

Since the publication of the Commission's report in 1979 the Government has been studying those recommendations for which it is responsible and has, where appropriate, taken steps to implement them. In deciding what action to take on the recommendations, the Government has been guided by the following four principles:

that legal services should in general be provided by the private sector and as economically and efficiently as possible;

that there should be effective access to the courts for the resolution of disputes and the defence or enforcement of rights;

that legal aid from public funds should be available in appropriate cases to individuals who have inadequate resources;

that full consideration must always be given to the need to limit public expenditure.

The White Paper makes clear the Government's view that 'the existence, strength and vitality of an independent legal profession, and public confidence in it, are fundamental to our freedom under the law' and that the needs of the public for legal assistance are most appropriately met by lawyers acting in private practice. It indicates a number of recommendations on which action has been taken, including the acceptance and implementation in 1980 of the recommendation that the Lord Chancellor be responsible for criminal as well as civil legal aid in England and Wales and the introduction of arrangements for the establishment of duty solicitor schemes at Magistrates' Courts.

The White Paper also announces that a complete and systematic review of civil procedure is to be undertaken by the Lord Chancellor. This will include a thoroughgoing factual and statistical study of the business management of work at all stages of civil litigation. The main purpose of the review will be to develop the present system and, if necessary, to restructure it in order to achieve the most expeditious, economical and convenient disposal of business.

The White Paper records the rejection of the Commission's recommendation for a central Council for Legal Services but recognises that local or regional legal services committees may have a useful role to play and that the initiative for developing them in any area rests with those directly involved. Recommendations relating to law centres and conveyancing are still under consideration.

[1] *The Government Response to the Report of the Royal Commission on Legal Services.* Cmnd 9077. HMSO, £3·75. ISBN 0 10 190770 2.

[2] The Royal Commission's terms of reference did not include Scotland. An entirely separate Royal Commission on Legal Services in Scotland, which was set up in 1976, reported in June 1980 (see pp 180-1, 1980). The Government's response has not yet been published.

Police and Criminal Evidence Bill

The Police and Criminal Evidence Bill, which had almost completed its passage through the House of Commons when Parliament was dissolved before the general election in June, has been reintroduced and received a second reading in the House of Commons on 7 November by 339 votes to 188, a majority of 151.

As before (see pp 419-21, 1982), the objective of the Bill is to secure the best possible balance between the interests of society in bringing the criminal to justice and the rights of the individual suspected of crime, and to strengthen the relationship between the police and the community. While the structure of the Bill remains unchanged, as a result of a thorough review of its provisions a number of significant changes have been made.

Like the previous Bill, the new proposals would modernise and clarify the powers of the police while simultaneously providing enhanced safeguards for the citizen. The Bill would make a number of reforms to the law of criminal evidence, introduce improved procedures for the handling of complaints against the police and give statutory backing to arrangements for consultation between police and community.

The most significant of the changes that have been introduced as a result of consultations on the earlier Bill are that: the Home Secretary would be placed under a statutory duty to introduce the tape recording of interviews with suspects; intimate body searches for investigative purposes would no longer be permitted (such searches would be strictly limited to the protection of the detained person and those with whom he came into immediate contact); the definition of a 'serious

arrestable offence', upon which a number of the more important powers in the Bill depend, would be simplified and made more precise; and a new Police Complaints Authority would be established, responsible for supervising the investigation of complaints against the police, as well as undertaking the disciplinary functions of the present Police Complaints Board (see p 390).

HOUSE OF COMMONS DEBATE

Home Secretary's Speech

Introducing the Bill's second reading (*Hansard*, Vol 48, No 43, cols 25-111), the Home Secretary, Mr Leon Brittan, said that the Bill had reached its present form as a result of a process of consultation and review such as can rarely have been accorded to any piece of legislation before. The Bill was a wide-ranging measure, raising issues of vital concern in a free society. It was needed for three reasons. First, the present state of the law was unclear and contained many indefensible anomalies. Secondly, the police needed to have adequate and clear powers to conduct the fight against crime and the public needed to have proper safeguards against any abuse of such powers if it was to have confidence in the police. Thirdly, these measures played an essential part in an overall strategy designed to create more effective policing. They did not solve, or pretend to solve, all the problems of policing in Britain today, but had an important part to play alongside administrative and other measures needed or being dealt with already to ensure that the police could operate efficiently and fairly, and with the active support of the public.

The police service now had more manpower, and more and better equipment, than ever before, continued Mr Brittan. The quality of the vast majority of its officers was high and morale was good. The resources were in place. What was needed was to ensure that there was effective management and supervision, supported by effective training at all levels, to use them to the best effect. Mr Brittan stressed that he was particularly concerned to continue to improve relations between the police and the ethnic minority communities. Perhaps the training which would have the greatest impact was the revised arrangements for new recruits who would now have about seven months' training before being allowed to patrol alone and would have a carefully phased programme of further training until their two-year apprenticeship was over.

Clearer powers and better safeguards were crucial in securing more effective policing. Nobody who had considered the Bill should seriously claim that the Government had simply set out to increase police powers. In some cases they had done so, and rightly; the power to arrest someone who was suspected of indecent assault was an example of a fresh power. In other cases the Government had restricted existing powers, including, for example, road checks. Some powers had been enhanced, but with the addition of safeguards which had not previously existed, as with the stop and search provisions.

Mr Brittan said that an important provision of the Bill was the statutory arrangements for consultation between the police and the communities they served. There was nothing new in the principle here; the police had always relied on regular contacts with the public.

Another important development, which also formed part of the wider background to the Bill, was the recent White Paper on an independent prosecution service (see pp 356-7). These proposals indicated the Government's intention to establish a prosecution service which was manifestly independent of the police.

The Bill's new definition of 'serious arrestable offence' was based on the approach suggested by the Law Society. Under this, certain offences, such as murder and rape, would always be serious arrestable offences. Other arrestable offences might count as 'serious' if, in the circumstances of the case, they met certain specific tests. As before, offences which were not arrestable would never qualify for these enhanced powers.

Mr Brittan explained that for the first time intimate body searches would be prohibited absolutely when their object was to secure evidence of an offence. But he had concluded that the existing power to search for protective reasons, when there was a justifiable fear that a detained person was concealing a weapon, should be retained subject to new safeguards. He envisaged that this power would be very rarely used and that a doctor would carry out the search in nearly every case. Such searches would be carried out by police officers only as a last resort.

The creation of a Police Complaints Authority, with powers and duties extending into new areas, showed the Government's commitment to the principle of accountable complaints investigations. There was a clear interest, and indeed a police interest, in ensuring that investigations into complaints were fully and fairly carried out and were seen to be so carried out. It would be a primary task of the new Authority to provide the independence, the absence of which had hampered the present system. Mr Brittan said that what mattered was not who investigated the complaints but to whom the investigators were accountable. There was no reason to believe that some special force of investigators would be more efficient or pursue complaints with greater vigour than policemen, provided that the policemen were under the direction and control of a fully independent outside body with the necessary powers. The new Authority would have the duty to supervise the investigation of all serious complaints against the police, for example when police action caused death or serious injury, and would also have the power to supervise the investigation of any other complaints where it decided that it was in the public interest to do so. He intended the supervision to be an active rather than a passive process. The Authority would have full powers to give advice and formal directions to investigating officers. At the end of the investigation it would be required to inform the complainant whether the investigation was properly carried out. The Authority would also take over the existing responsibilities of the Police Complaints Board which would be abolished. He believed that

these proposals would command a wide measure of public support and would substantially increase confidence in the police complaints system. It was equally important that police officers should have a fair deal. The Bill provided, for the first time, a statutory right for officers facing dismissal or detention to put their case to a tribunal with legal representation if they wished. The tribunal would include one member who was a retired officer from the ranks of the appellant's own staff association.

Mr Brittan said that the clause providing for the tape recording of police interviews with suspects placed a clear duty on the Home Secretary to introduce tape recording and to issue a code of practice to govern its use. The necessary field trials of equipment and recording procedures would show the best way to do it. Although he had to have regard to the availability of resources before bringing the scheme into force, he was not committed to waiting the full two years of the trials before taking the next step.

The clause on detention after charge had been considerably expanded. It now ensured that persons detained in custody must be brought before magistrates as soon as possible. This completed the circle of safeguards in the Bill which ensured that detention should only take place if it was necessary and only for as long as it was necessary.

The Bill did not remove the suspect's rights to refuse to answer questions. On the contrary, it ensured that he was aware of his rights. The question of reducing the maximum period for detention without charge had been examined. In a very small number of serious and complex cases detention up to 96 hours without charge might be necessary. Prolonged detention would remain very rare under the Bill, not least because of the new requirement to bring all uncharged suspects before a magistrates' court after 36 hours.

Finally, there was one change which had not yet been made, but which Mr Brittan intended to bring forward during the passage of the Bill. The Bill gave suspects in police custody a statutory right to consult a solicitor privately. To make the right effective, arrangements were needed for solicitors to be available at all times when legal advice might be sought. The Government planned to strengthen the Law Society's existing powers to make duty solicitor schemes with the aim of ensuring that sufficient solicitors took part. In conclusion Mr Brittan said that, in making changes to the Bill, uppermost in the Government's mind was the concept of balance, which had been such an important feature of discussion of the Bill. Alongside each power which the Bill gave to the police was a corresponding obligation designed to ensure that the power was exercised fairly and only in the express circumstances for which it was designed. Where there had been legitimate apprehensions about the likely effects of the Bill, the Government had gone to substantial lengths to respond to them. The Government was confident that the Bill's aim and purpose were sound; it would help to protect the public as a whole from crime, but it would also protect the individual citizen's liberty against unjustified encroachment.

Opposition Views

Mr Gerald Kaufman, the official Opposition spokesman on home affairs, said that the Home Secretary was required to take measures to prevent crime and to pursue criminals, but should avoid tampering with the civil liberties of those who, often innocent, became involved in that pursuit. That was a fragile balance which he should endeavour to maintain. The Government's proposals for dealing with complaints against the police were once again unsatisfactory both to the public and to the police. They still lacked the independent element in the investigation of complaints which had been recommended by Lord Scarman (see pp 373-8, 1981). Instead of being able to call upon a complaints procedure that was clear and simple, people would be deterred from making complaints by the complexity of the machinery proposed. The main criticisms of the Bill should be levelled against those parts of it which dealt with the treatment of people who became enmeshed in the detention procedures resulting from the police powers of stop and search. These powers would apply not to convicted criminals but to subjects who may not only not be convicted but who may not even be charged. The most worrying arrest provisions hinged on the definition of a 'serious arrestable offence'.

Under the Bill the routes to the police station were many and varied, continued Mr Kaufman. When a person got there, he might be the subject of an intimate search. The form of such a search would be as objectionable as ever and could be carried out by an 18-year-old police constable. It was obvious that injury could be inflicted by an inexpert search, and women could especially be at risk.

The Royal Commission on Criminal Procedure had stated categorically that subjects should be released or charged within 24 hours unless brought before a magistrates' court sitting in private. Yet if in this initial period the police asked a magistrate to allow them to hold the suspect for longer than 36 hours and the magistrate refused, if the 36 hours had not elapsed the police would still have the power to hold the person for the remainder of the 36 hours.

The Bill would do little, if anything, to give the nation that protection from crime that the Government had promised but had failed to provide, and would undermine civil liberties.

The Liberal Party spokesman, Mr Alex Carlile, said that the Bill left many important areas in which there was the prospect of a serious abuse of power. Welcome improvements had been made but the Bill still contained elements which had all the ingredients of a continuing conflict between youth, minority groups, the broader community at large and the police. It was to be hoped that changes made to the Bill during its passage through Parliament would enable his party to support it.

Speaking for the Social Democratic Party (SDP) Mr Robert Maclennan said that the Bill contained a number of proposals which would not foster confidence between the police and the public.

Unless some of the new powers, especially those relating to stop and search, were used with great sensitivity, the Bill could exacerbate the position. The SDP did not accept the need for detention for up to 96 hours for serious arrestable offences and for up to 36 hours without recourse to a solicitor. There was widespread disquiet in the House of Commons about a number of measures embodied in the Bill, which would undoubtedly lead to careful and continued probing in Committee.

PROVISIONS OF THE BILL

Powers of Stop and Search

Part I contains provisions on police powers of stop and search to give effect to the recommendations of the Royal Commission on Criminal Procedure (see pp 29-31, 1981), as endorsed by Lord Scarman in his report on the Brixton disorders (see pp 373-8, 1981). The power to stop and search persons and vehicles on reasonable suspicion for stolen goods, which is at present available only in London and certain other areas, would be extended throughout England and Wales. There would also be: powers to stop and search on reasonable suspicion for offensive weapons, house-breaking implements and other articles used in connection with theft or obtaining property by deception or taking motor vehicles without authority (the possession of these articles in a public place is already an offence); new safeguards which would apply not just to these powers but to all existing statutory powers of stop and search (for example, those under the Misuse of Drugs Act 1971), so that a police officer making a search would have to identify himself and state the purpose of the search and his grounds for carrying it out (he would also have to make a written record of the search unless this was impracticable, and a copy of this record would be available to the person concerned on request); stricter controls on the existing unregulated power to set road checks which, unless set up for road safety or vehicle excise purposes, would normally require the reasoned authority of a senior officer; and a requirement for Chief Constables to publish statistics about the use of stop and search and road checks in their annual reports.

Powers of Entry, Search and Seizure

Part II concerns police powers of entry, search and seizure. It would provide the police with more comprehensive powers to obtain admissible evidence of serious arrestable offences. Magistrates would be empowered to issue warrants authorising the police to search premises for such evidence, but there would be a separate procedure for evidence held on a confidential basis by a third party. Under this procedure a circuit judge would be empowered to issue an order requiring the production of the evidence to the police if this would be in the public interest, and if he was satisfied that a serious arrestable offence had been committed, that the evidence was admissible in court, that the evidence was of substantial value and that other methods of obtaining evidence had failed, or would be bound to fail. Personal medical and other confidential counselling records, and confidential journalistic material, would be exempt from the powers provided by the Bill. The Bill would also: apply new safeguards recommended by the Royal Commission to the issue and execution of all search warrants, and state precisely the powers of the police to seize articles of evidential value found during the course of a lawful search; would clarify the power of the police to enter and search without a warrant the premises of a person arrested for an arrestable offence for evidence relating to that or similar offences; and would set out the circumstances in which the police might enter premises in order to execute an arrest warrant, and restate in a statutory form the common law powers of entry already available to the police.

Arrest

Part III would introduce a simplified scheme of arrest. It would retain the existing category of 'arrestable offences' and add to it certain offences which need, but at present lack, a power of summary arrest, for example indecent assault on a female. All other offences would carry a power of arrest if it was impracticable to prosecute by way of summons or if immediate arrest was necessary to prevent injury or terminate a public mischief. As a consequence of this general provision all other existing powers of arrest for a range of less serious offences would be repealed.

Detention

Part IV would introduce a statutory scheme governing detention in police custody. It lays down prescribed time limits (under the present law detention is open-ended) and it introduces an element of judicial review. Under the scheme detention would be lawful only if specified detention conditions were satisfied. A designated uniformed officer at each police station would have overall responsibility for the detention and treatment of persons detained after arrest. The need for detention would have to be reviewed at regular intervals. Detention without charge would normally be limited to a maximum of 24 hours; detention beyond 24 hours and up to 36 hours would be possible only in the case of a serious arrestable offence and would require the authority of a senior police officer; and detention beyond 36 hours might be authorised only after the suspect had been brought before a full magistrates' court. The suspect would be entitled to legal representation. There would be a new absolute limit of 96 hours on detention without charge.

Treatment, Questioning and Identification

Various aspects of the treatment, questioning and identification of persons suspected of crime would be regulated by Part V, which would place the power to search detained persons on a statutory basis and prohibit searches of intimate parts of the body except if this was necessary for the protection of the person concerned. (Searches would be conducted by doctors wherever practicable.) It would entitle detained persons to have access to legal advice and to have somebody notified of their arrest and whereabouts, and would define in stricter terms than at present the

circumstances in which the exercise of these rights might exceptionally be delayed. It would place a clear duty on the Home Secretary to introduce the tape recording of police interviews with suspects and to issue a code of practice for tape recording. It would empower the police to take fingerprints and non-intimate samples without consent in certain circumstances, and would provide for the destruction of fingerprints and body samples if the suspect is subsequently cleared. Part VI requires the Home Secretary to issue, subject to parliamentary approval, codes of practice for the detention, treatment, questioning and identification of persons suspected of crime and for the searching of premises and seizure of property.

Evidence

Reforms in the law of evidence in criminal proceedings would be introduced under Parts VII and VIII. Part VII provides for the admissibility as evidence in criminal proceedings of microfilm copies and documentary and computer records. Part VIII would introduce provisions governing the admissibility of confessions to take the place of the relevant provisions in the Judges' Rules. A confession would automatically be excluded if obtained following oppression (including the use of extreme methods such as violence, torture, or inhuman or degrading treatment) or if obtained in consequence of anything said or done which, in the circumstances, was likely to render a confession unreliable. Part VIII also contains reforms (based largely but not exclusively on recommendations of the Criminal Law Revision Committee's Eleventh Report on Evidence) to streamline the work of the courts or clarify the law. These include a modernised procedure for proof of convictions and acquittals; clarification and revision of the present law on when the accused's spouse must give evidence and when he or she might; and provision for rules to be made requiring advance notification of expert evidence in Crown Court cases.

Police Complaints and Consultation between Police and Community

Part IX would introduce substantial reforms into the police complaints and disciplinary procedures. Part X requires arrangements to be made in each police area for obtaining people's views on policing and their co-operation in the prevention of crime (as recommended by Lord Scarman's report), together with other miscellaneous provisions.

'Serious Arrestable Offences'

Part XI includes a new and improved definition of 'serious arrestable offences', based on the recommendations of the Law Society, to which certain investigative powers contained in the Bill are restricted. The worst offences would be those which in all instances would count as very serious, for example murder. Decisions about the seriousness of other 'arrestable' offences would be subject to objective criteria set out in the Bill and would be reviewable in the courts. Offences which are not 'arrestable' as defined in the Bill would in no circumstances justify the exercise of these reserved powers.

European Community

A meeting of the European Council in Athens from 4 to 6 December ended without agreement on arrangements for the future financing of the Community. Britain's approach to this question and related issues was spelt out by the Foreign and Commonwealth Secretary, Sir Geoffrey Howe, in a speech in London on 4 November. The Government's views on British membership of the exchange rate mechanism of the European Monetary System were given during a debate in the House of Lords on 14 November.

EUROPEAN COUNCIL

Reporting on the Council's meeting to the House of Commons on 7 December (*Hansard*, Vol 50, No 65, cols 323-38), Britain's Prime Minister, Mrs Margaret Thatcher, said that all members had agreed at the Stuttgart Council in June (see pp 226-9) that the issues involved in determining the Community's long-term future – such as agricultural surpluses, unfair budgetary burdens, effective control of Community spending – 'had to be taken as a whole and that decisions on each item depended on agreement on the rest. Unfortunately', she added, 'the Community was not ready at Athens to take the necessary decisions.'

With regard to the question of unfair budgetary burdens, Mrs Thatcher said that most countries had wished to establish a lasting system along the lines of placing limits on the net contributions of member states – these to be related to the ability to pay – and implemented by correcting the VAT contribution of the state concerned in the following year. In addition, this solution was seen by a majority of countries as being part and parcel of any decision on new resources. However, not all member states had agreed to this approach and no decision was taken. Similarly, there had been no decisions on agricultural spending and on measures for controlling Community expenditure.

Regretting the lack of progress, Mrs Thatcher said that she had made it clear that Britain would not consider an increase in the Community's resources unless there was an agreement on fair sharing of the budgetary burden and an effective control of agricultural and other expenditure. 'There was no such agreement and, therefore, for the United Kingdom, the question of an increase of the Community's resources did not arise.'

FUTURE OF THE COMMUNITY

Speaking at a meeting of the Royal Institute of International Affairs, Sir Geoffrey said that the Community was a radical experiment designed to end the rivalries which had torn Europe apart twice in the twentieth century. It was a unique community of nations attempting not just the co-ordination of national policies but the formation of common ones. Together, member states could provide effective support for freedom and democracy within Western Europe and in the world. For this reason, it was a political imperative to enlarge the Community to include Spain and Portugal.

The debate about whether Britain should be a member of the Community was now over, Sir Geoffrey said, and the more fruitful debate about the future was now under way. However, although the British public accepted the European Community, it was hardly enthusiastic. This was partly an insular reflex, the Community having become a natural scapegoat for national failures and for the impact of world recession. Nevertheless there were deeper and genuine concerns since the Community often seemed resistant to necessary change. There was also a real danger that people were coming to see it 'as at best irrelevant, and at worst obstructive, to Europe's fundamental challenge to halt the decline in its international competitiveness, to restore sustainable growth and to generate new employment'.

Until recently Britain had not encouraged the Community to face up to fundamental issues of this kind since it had been inhibited by the sterile domestic debate about its own membership and had been absorbed in righting budgetary inequities. The Government, however, believed in the Community and wanted it to work better: 'We have ideas, and I make no apology for saying that they are as good, and as "communautaire" as anyone else's. We want to restore a sense of confidence and purpose.'

Community Budget

During the past four years the terms of the debate over the budget had moved a long way and the budget issue was now accepted as a Community problem and not just a British one. The succession of patched solutions, however, had been bad for the Community, and Britain was now proposing that 'there should be an upper limit on the net budgetary burden which each partner should be expected to bear, according to its relative prosperity' (see also p 329). The adoption of such a mechanism would be a major Community achieve-

ment since it would be demonstrably fair, would cause minimal disturbance in present arrangements, would apply to an enlarged Community, and would enable all members to look at new policies on their merits.

Britain wanted action on the revenue side since arrangements on expenditure would open the way for more annual disputes about refunds. The key problem was to find an objective way of measuring the full extent of the budgetary burden and to agree on the extent of the correction needed.

Agriculture

Britain's proposals on agricultural expenditure (see p 330) were designed to help solve a Community problem within the stated objectives of the Common Agricultural Policy (CAP) which, however, were not being fulfilled, and certainly not cost-effectively. The basic problems were 'inexorably rising production and stagnant demand and a doomed effort to secure the admirable social objective of keeping small farmers on the land through the one basic mechanism of a common price policy. The result is food we cannot eat at home or sell profitably abroad.' The broad outlines of a solution were price restraint and, where necessary, other measures to relate Community support to sensible levels of production. Agricultural decisions had to be related to Community resources and to wider Community purposes. This was the basis for the British proposal to ensure that the future rate of growth of CAP spending was held below the rate of growth of the Community's financial resources. 'That goal is shared by all Community partners and institutions, but some want to restrict it to a vague political commitment. If it is to be effective, it must have a basis in the Community's budgetary procedures.' The establishment of a financial guideline could only work if there were changes in the Community's price arrangements and if some flexibility was built in to take account of unforeseen developments on world agricultural markets.

Noting that no one wanted to see the breakdown of the CAP, Sir Geoffrey warned that its problems were casting an ominous shadow over the pattern of international trade and the Community's relations with its allies and with many developing countries. It made no sense to solve the problems of the CAP at the expense of Third World countries, a policy that would be contrary to the Treaty of Rome. There would also soon be a need for an international review of the worrying development of agricultural protectionism on a world scale and on the extent of structural surpluses in some key commodities. 'I am concerned that protective barriers and competitive subsidies are continuing to proliferate in world agricultural trade. This is diametrically opposed to the world economic order Britain is seeking to promote and to the role we see for the Community in that world.'

New Policies

Turning to the future, Sir Geoffrey said that it was necessary to safeguard Community achievements and to look to new policies. Over the years there had been unrealistic expectations of the Community, not least in Britain where some had thought that it would solve all the country's problems overnight. 'The critical point for the future is that the Community must be harder-headed and more practical: the emphasis must be on cost-effectiveness, commercial viability and the overriding need to improve Europe's economic competitiveness. We must be in the business of generating wealth, not just of distributing it. The Community is too important to us all to let it degenerate into a vehicle for grandiose projects which simply drain our common resources. We must concentrate rigorously on those areas where more can be achieved, or can be achieved more economically, by action on a Community basis than by action nationally.'

The greatest single step that the Community could take towards encouraging economic growth in Europe would involve almost no budgetary cost at all, namely the establishment of a genuine common market. The Commission had recently estimated that the cost of intra-Community trade barriers was about £6,750 million a year. The cost of frontier formalities alone was equivalent to some 5 or 6 per cent of the value of goods before tax. Britain was therefore urging the free movement of goods vehicles, including simplification of frontier checks; fewer obstructions to trade caused by different technical standards used as non-tariff barriers; full and rigorous application of Community rules on state aids and the regulations governing public procurement in order to eliminate distortion of competition; and the creation of a genuine common market in capital and in services such as air transport. 'With a healthy, more integrated and more competitive Community market we would establish an environment in which a host of new policies and new initiatives, some public but many more private, would become viable. Community intervention must be used as the spark to ignite new private initiatives. It cannot and should not be the motor that drives them.'

The JET project[1] in Oxfordshire, Sir Geoffrey continued, was a good example of the sort of research that made sense only on a Community basis. No individual member state had the national resources or the national market to sustain such an investment. The Community was also examining an imaginative scheme (ESPRIT) to promote new information technologies and there was a need to look at other ideas for closer industrial co-operation.

The development of a more integrated market and industrial structures on a Community scale would at once help and be helped by the process of economic convergence, and the European Monetary System was important both as an instrument and as a symbol of that process. On sterling's membership of the System's exchange rate mechanism, Sir Geoffrey said that while Britain had always insisted that the economic conditions had to be right before it could join, it accepted the system's objectives, namely to help the process of Community development by reducing exchange rate fluctuations and monetary instability (see pp 407-8).

[1] The Joint European Torus (JET) is a major Community research project on thermonuclear fusion.

On energy policy Sir Geoffrey said that the Community needed to build on the framework already agreed for an energy strategy to reduce dependence on imported sources of energy. Britain welcomed the participation of companies from other member states in the exploration and production of North Sea gas and oil. A policy on solid fuels, too, needed to be an important part of the Community's energy strategy.

Protection of the environment was another area in which the problems were transnational and invited Community action. Britain had called, for example, for urgent action to eliminate lead from petrol (see pp 340-3) and it wanted the Community to embark on research to tackle the problem of acid rain (see p 313).

Institutions

Commenting on the reform of the Community's institutions, Sir Geoffrey said that these would develop with the Community and that emphasis needed to be placed on evolution and not institutional tinkering as a substitute for solid achievements on the substance of Community policies. On the European Parliament he emphasised the importance of the 1984 elections and the need to develop the democratic basis of the Community.

External Policies

A revitalised Community, said Sir Geoffrey, would be less introspective and better placed to play a positive international role. This had to be reflected above all in its trade policies. 'For the Community to reap the full benefits of a strong internal market we need to work to maintain and strengthen the world trading system and to increase trade with both developed and developing countries. Economic recovery, within Europe and outside it, must be accompanied by sustained, stable and open trading practices. The Community must stop flirting with protectionism, however selective, in the name of "Community preference" and emerge as a champion of economic liberalism, as the founders of the Community undoubtedly envisaged. The Community has a huge influence and therefore a huge responsibility: we account for nearly one-quarter of the gross world product and nearly 20 per cent of world exports.'

Referring to the Community's relations with the developing world, the Foreign and Commonwealth Secretary said that if developed and developing countries could move together out of recession, their progress would be mutually reinforcing. Although trade policy was more important, aid had a role to play, the Community and its members contributing nearly half of all the aid provided by the Organisation for Economic Co-operation and Development.[1] Talks on the new Lomé Convention were now launched (see pp 331-2). 'A major aim of the new convention must be to ensure the maximum developmental effectiveness of Community aid and trade access. In the present economic climate, when money is bound to be tight, it is more than ever important that aid should be seen to be well used.'

[1] In 1982 the seven Community countries belonging to the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development provided some $12,186 million of the $27,853 million net official development assistance disbursed by the DAC's 17 member countries.

Political Co-operation

Sir Geoffrey pointed out that, despite the progress made on political co-operation between member states, there was still a wide gap between the economic weight of the ten member states and their political influence in the world as a group. There was a clear need to develop the process of European political co-operation, for recent events in Grenada (see pp 362-8) had shown that there were occasions when Europe needed a voice independent even of its closest allies. 'If we want to be listened to, we must be in a position to exert a real influence over events – and we can do that much more effectively as ten, than as separate European nations.' It was therefore necessary to build on the firm foundations of the 1981 London report (see pp 326-7, 1981), especially the commitment to consult before taking national decisions on questions of importance to the Ten as a whole. Britain had fought to break down the artificial barriers fencing off political co-operation in foreign policy from the mainstream of Community affairs. A confident Community had to be more open and readier to accept international responsibilities.

Conclusion

Concluding, Sir Geoffrey said that Britain was determined to change the air of resignation and fatalism that had come to permeate Community thinking. 'It is right that the democracies of Western Europe should act together and stick together, for together we give democracy a louder voice in the world, and we reinforce the stability of the West.'

EUROPEAN MONETARY SYSTEM

Speaking in the House of Lords on 14 November (*Hansard* (*HL*), Vol 444, No 32, cols 1138-43), the Chancellor of the Duchy of Lancaster, Lord Cockfield, said that it was not possible to be specific about when conditions would be right for Britain to enter the exchange rate mechanism of the European Monetary System.

Lord Cockfield recognised the concern felt by many in industry about exchange-rate volatility, since it was hardly surprising that the mechanism should be viewed as a haven in which to shelter from the storms that periodically swept through the world's exchange markets. The source of the problem, however, was to be found in high and variable rates of inflation, one of the factors which had led to the breakdown of the Bretton Woods system and had been responsible for much of the subsequent instability in exchange rates.

A greater co-ordination of, and convergence in, economic policies was required if a lasting reduction in exchange rate volatility was to be achieved. 'Our view remains that greater convergence of policies needs to come first, and it is very much a second best to argue that failures of convergence can be compensated by currency realignments.' Moreover, if there were a failure of convergence

and if conditions for membership of the mechanism were wrong, the pressures on member states' financial systems would not be eliminated. Instead, the pressures could be reflected in domestic rather than external factors. 'Countries cannot rely on exchange market intervention by itself to withstand pressures of anything more than modest and temporary force. This is particularly true of the United Kingdom whose currency is widely held and traded. In these circumstances domestic policy changes are required. Were sterling to become a member in the wrong circumstances, this would simply substitute interest rate volatility for exchange rate volatility. This could be just as damaging to trade and investment. . . .'

In addition to these general considerations, Lord Cockfield pointed out that sterling had two special characteristics differentiating it from many other Community currencies and complicating the decision as to timing. First, because Britain stood on its own in the Community by being self-sufficient in oil, sterling tended to rise and fall with oil prices, while other Community currencies did the opposite. Although oil markets had been relatively quiet recently, considerable fluctuations in supply and demand did occur and there were political factors affecting this market. It still remained the case that political tensions in the Middle East tended to be reflected quickly in the exchange rate between (£) sterling and other EMS currencies. Second, both sterling and the deutschmark were widely used in international finance and were therefore particularly vulnerable to large speculative flows. Experience suggested that any large and sudden movement of the dollar, for example, tended to lead to strains between the existing members of the exchange rate mechanism and often to quite sharp movements between sterling and the deutschmark as well.

Concluding, Lord Cockfield pointed out that Britain was a member of the European Monetary System and had deposited 20 per cent of its gold and dollar reserves in the European Monetary Co-operation Fund. Britain welcomed the modest but growing private use of the Community's European Currency Unit (ECU), with London playing its full role as a centre for the market in ECU denominated assets. The British Government also participated in negotiations on EMS modifications and in realignment conferences. It was therefore playing a responsible and indeed substantial role in the EMS. Moreover, the Government had always accepted that sterling's eventual membership of the exchange rate mechanism would be an important step forward. 'But it would be essential that our membership should be successful and continuing. This means that it needs to be achieved in the right circumstances and when the time is right. Joining in the wrong conditions would neither strengthen the system nor be helpful to British industry.'

Background

The European Monetary System came into effect in 1979, its purpose being to stabilise exchange rates between Community currencies. It consists of an exchange rate mechanism, a monetary unit known as the European Currency Unit (ECU) and enlarged Community credit facilities. The ECU is a weighted average of Community currencies: each currency has a central rate fixed in ECUs, these central rates being used to establish bilateral exchange rates with the other currencies. All member states participating in the exchange rate mechanism deposit 20 per cent of their gold and 20 per cent of their dollar reserves with the European Monetary Co-operation Fund in return for ECUs of the same value. These ECUs may then be used to settle debts, arising from intervention in exchange markets, between the central banks concerned. Member states not participating in the exchange rate mechanism may deposit reserves with the Fund.

Britain and the Commonwealth

In a speech to the Royal Commonwealth Society on 14 November the Foreign and Commonwealth Secretary, Sir Geoffrey Howe, discussed the value of the Commonwealth and reaffirmed that it remained central to Britain's foreign policy. Sir Geoffrey also discussed the problems of southern Africa and emphasised Britain's commitment to their peaceful solution.

Britain's Role

Noting that Britain's role had changed and was changing from that of a global power, and that its diplomatic activity had concentrated more on regional issues, its commitments to the European Community and to the North Atlantic Alliance having become the twin pillars of its foreign policy, Sir Geoffrey said that this had not meant a renunciation of Britain's old ties. Although both the European Community and the Atlantic Alliance had a vital role in achieving security, prosperity and stability, the Commonwealth remained central to Britain's foreign policy, in particular outside the Atlantic area, as the intense official and public interest in the Grenada crisis (see pp 362-8) had clearly shown.

Political and Economic Benefits

The Foreign and Commonwealth Secretary said that Britain still retained world-wide interests and responsibilities with commitments in the Falkland Islands, Hong Kong, Gibraltar and its other overseas dependencies. It derived a much higher proportion of its national income than most other industrialised nations from overseas activities, was a considerable importer and exporter, and had extensive foreign investments. Moreover, Britain had a vital role as a responsible Western ally in helping to deny opportunities outside Europe to the Soviet Union and its allies. The value of the Commonwealth to Britain was thus inextricably linked to Britain's world-wide interests and, while much of the advantage to those interests was invisible or intangible, there were concrete and visible benefits too. One was an immediate and privileged access to the governments of 30 per cent of the membership of the United Nations, and to markets with a quarter of the world's

population which were growing in purchasing power. In 1982 Commonwealth countries had taken nearly 13 per cent of Britain's exports and in 1981 they had accounted for some 35 per cent of Britain's income from non-oil investment overseas.

There were also direct political advantages to Commonwealth membership. It was doubtful for instance whether Britain would have achieved the Lancaster House settlement (see pp 364-70, 1979, and 67-8, 1980) which ended a civil war and brought independence to Zimbabwe, had it not been for the agreement reached at the Commonwealth heads of Government meeting in Lusaka in 1979. The Commonwealth monitoring force and the Commonwealth observer group in Zimbabwe which helped to ensure that power was transferred peacefully and smoothly, had enhanced Britain's reputation, and that of the Commonwealth, as well as serving wider Western interests by reducing opportunities for outside interference.

Similarly, in the Falkland Islands conflict (see pp 105-12, 149-56, 180-9, 1982), the great majority of Commonwealth states had strongly supported Britain, whether through supplies or economic sanctions, or openly in the United Nations where Commonwealth support for Britain among non-aligned countries had been a significant factor in deterring the Soviet Union from vetoing Security Council resolution 502 (see p 109, 1982).

There were also other examples, such as the achievement of independence for Belize (see p 215, 1981) or the monitoring of the Ugandan elections, where the Commonwealth had helped to promote stability, thereby serving Britain's political and security interests directly or indirectly. More generally the Commonwealth provided 'a highly effective means for Britain to play a responsible part alongside other Western nations in aiding the development and stability of the Third World'. Many of the smaller states felt that membership of the Commonwealth and its regional bodies made them less exposed in a hostile international climate, and Britain would be examining with its Commonwealth partners what it could do to help these and other small states even further.

Wider Forum

On the more intangible benefits to Britain from its membership of the Commonwealth, the Foreign and Commonwealth Secretary said that the 1971 Declaration of Commonwealth Principles was perhaps the clearest expression of the values its members held in common, and towards which they could all strive. The Commonwealth countries generally compared favourably with their counterparts elsewhere in preserving and practising the independence of the judiciary, a key foundation-stone for a fair society, while in the political sphere Nigeria had just demonstrated anew that parliamentary democracy could work in Africa. These shared values all worked in Britain's national interests in a subtle way because they helped to spread a way of life which had worked for Britain and which could enhance stability.

The Commonwealth was also a unique channel for developing contacts and understanding between the industrialised and the developing worlds, and Britain's Commonwealth experience enabled it to act as a fulcrum in international financial negotiations. Britain also benefited, politically and commercially, from the wide use of the English language and from the direct experience which many Commonwealth leaders had of British institutions such as schools, universities and the Bar.

Britain's Commitment

In return for all these benefits, said Sir Geoffrey, Britain recognised that costs had to be borne and commitments made, and, equally, that other members of the Commonwealth might also see it as a legitimate way of furthering their own interests. There could be no doubt about Britain's commitment to the Commonwealth. Its central role in British foreign policy outside Europe was reflected in the disbursement of Britain's bilateral aid, most of which had in recent years gone to support development programmes in Commonwealth countries.[1] Much of Britain's aid also reached these countries through multilateral channels, including the European Community, and this was of equal – or even greater – benefit to the recipients. Some Commonwealth countries had definitely benefited from Britain's membership of the Community, in particular India, which was the largest recipient of Community aid. More than half the countries in the Lomé Convention (see pp 331-2) were members of the Commonwealth and benefited from its important aid and trade provisions. Put another way, three-quarters of Commonwealth member states were signatories of Lomé, a mark of the importance that Britain attached to Commonwealth links when negotiating its accession to the Community. In addition, Britain played a major role in supporting the Commonwealth's own institutions and aid programmes.

Referring to the more human and emotional factors binding Britain to the Commonwealth, the Foreign Secretary said that ties of kinship and blood were now strengthened and enriched by the links between the ethnic minorities in Britain and their families in the Caribbean, the South Asian sub-continent and West Africa.

There were, however, bound to be occasional differences of perception and interest within such a diverse body, even within a small region of apparently similar states, as the intervention in Grenada had shown. However, neither these 'temporary and soluble' differences, nor the welcome trend towards regional co-operation, would detract from the underlying value of the Commonwealth for multinational co-operation and mutual help.

Britain and Africa

The continued growth in Commonwealth membership, said Sir Geoffrey, meant that the Commonwealth had a better chance of sharing its experi-

[1] In 1982, 64 per cent of bilateral aid went to Commonwealth countries. The figures for 1980 and 1981 were 77 and 72 per cent respectively.

ence with the wider world and of demonstrating the value of co-operation between peoples of different races and backgrounds in solving world problems. This could be of particular relevance to the problems of southern Africa, where nations of very different cultures and histories seemed to be sliding towards increased violence. Britain was committed to preventing this, and to helping to ensure stability throughout Africa, which had a major place in British foreign policy. It was supplementing its existing ties with the 13 African Commonwealth members by improving links with some of the French- and Portuguese-speaking countries. The Presidents of the Ivory Coast and of Mozambique, for example, had recently visited Britain (see pp 371-2), and Mr Malcolm Rifkind, Minister of State at the Foreign and Commonwealth Office, had paid a visit to Angola.

Economic Progress and Political Change

The countries of sub-Saharan Africa taken together, said Sir Geoffrey, were the largest recipients of British bilateral aid outside the South Asian sub-continent, and much more help from Britain was reaching Africa through multilateral agencies, non-government flows and private investment, aided significantly by the Government's abolition of exchange controls. The Foreign and Commonwealth Secretary contrasted this with the record of the Soviet Union in providing economic aid to Africa: in 1981 only 6 per cent of Soviet civilian aid had gone to sub-Saharan Africa, and that had been worth only 2 per cent of Western aid to these countries.

However, any aid, to be effective, required partnership between donors and recipients, and this was why the European Community attached such importance to developing a genuine dialogue within the Lomé Convention, in order to identify the most effective use of the resources and trade opportunities that the Convention provided. Effective aid required, too, a sense of economic reality among the recipients, a recognition that long-term development could require painful short-term adjustments. Sir Geoffrey said he was encouraged that a number of African countries were now beginning to adopt the right approach in co-operating with the International Monetary Fund. Britain stood ready to provide more high-level expertise to help with the process of adjustment and to help towards the shared goal of sustainable, non-inflationary growth.

Other encouraging trends in Africa, Sir Geoffrey noted, showed what could be done when sensible policies were pursued, foreign interference in internal affairs was rejected and, above all, when the peaceful route to change was followed. Such change was needed most in southern Africa, and in particular in South Africa itself, where it was both desirable and inevitable. 'I find it unthinkable that a minority will be able indefinitely to deprive the majority of its rightful say in running the country. And apartheid is not only morally abhorrent; it is in practical terms untenable and incompatible with dynamic economic policies.'

Reiterating that developments in southern Africa were of fundamental importance to Britain, Sir Geoffrey said the question was whether change there was to occur peacefully and in a way which preserved economic and social development, or whether the trend towards greater violence, terrorist attacks and destabilisation, which Britain deplored, would prevail. Cross-border violence was counter-productive since attacks on South Africa merely strengthened intransigence, making the white population even more fearful of making concessions. For their part, the South Africans had to see that destabilisation of their neighbours risked making the Soviet Union and its surrogates a more powerful factor in the equation. Punitive raids would in the long term create fear, bitterness and hatred, making peaceful change much more difficult.

British Policy Towards Apartheid

The key to peace was mainly in the hands of the South African Government and people, and internal economic forces – the demand for black workers, the increase in their purchasing power, and the development of black trade unionism – had already brought about an encouraging degree of change, offering some hope that the evils of apartheid could be moderated. But political reform, in the shape of progress towards constitutional arrangements acceptable to the people of South Africa as a whole, was also necessary. 'We have never deviated from our view that it is for those in South Africa to judge what is best for them, but we have made clear on a number of occasions that we are looking for progress towards constitutional arrangements acceptable to the people of South Africa as a whole.' Noting that there had been strong white support for the new constitutional proposals in the referendum on 2 November,[1] the Foreign and Commonwealth Secretary stressed that only part of the population had been consulted about the proposals, which had been seriously criticised by the majority of South Africans because they made no provisions for them. He hoped nevertheless that the referendum would 'facilitate the process of change which we would like to see'.

Apartheid, and the absence of a form of government which had the consent of all the people, cast a long shadow over Britain's relations with South Africa. Britain would be reaffirming its commitment to the Gleneagles Agreement on Apartheid in Sport (see p 261, 1977) at the Commonwealth Heads of Government Meeting in New Delhi. It would also uphold the United Nations arms embargo, eschew any military collaboration with South Africa, and not help with South Africa's nuclear programme. At the same time, Britain was not going to cut off contact with South Africa, since talking was more likely to prove influential than refusing even to discuss differences. This applied equally to Western gov-

[1] In a referendum held among white South African voters on 2 November on a new constitution, 66 per cent of those who voted, in a 76 per cent turnout, voted in favour of the proposals contained in the Constitution Bill 1983. This provides for a tricameral parliament with separate chambers for whites, coloureds and Indians, but makes no provision for blacks to be represented at the national level and has been opposed by them on the grounds that it represents no deviation from apartheid policies and that it has the effect of polarising the difference in status between the blacks and the non-whites.

ernments in their approaches to relations with the Soviet bloc, and to these governments and the other states of Southern Africa in their relations with South Africa. Nor did Britain think that the case for economic sanctions against South Africa had been made. As well as damaging important British commercial and economic interests, they would interfere with the economic forces that were at work for change in South Africa, and it was neither in Britain's nor in South Africa's interests to provoke through drastic action a violent economic collapse there. 'Rather, positive change in South Africa is likely to come about through a growth in contact with the rest of the world, not by treating it as a pariah.' Britain supported the European Code of Conduct for companies with interests in South Africa (see p 365, 1977), not as a punitive measure but as a positive way of improving the situation of black workers.

Namibia

Britain's policy of contact and involvement and of working for change by peaceful means was, Sir Geoffrey continued, nothing new. As a member of the Western Contact Group (see pp 188-9) it had been working to bring about a fair and lasting settlement in Namibia, and the Group had contributed in no small way to the progress already achieved.

The United Nations Secretary-General's recent visit to the region had resulted in the resolution of virtually all the outstanding problems on Namibia (see pp 425-6). The main obstacle now was the demand for an agreement on the withdrawal of Cuban troops from Angola as a precondition for a Namibia settlement. For Britain, Security Council resolution 435 (1978) (see pp 350-2, 1978) contained the only conditions for independence, but it also recognised that the security problems of the main parties had to be satisfactorily resolved if there was to be an enduring agreement. 'I believe that military disengagement and the establishment of greater trust in the area hold the key to this. That is why we want to see the withdrawal of all foreign forces from Angola. But of course the continued presence of South African troops in Angola and continuing armed conflict there make the withdrawal of Cuban troops more difficult. I therefore urge the South Africans to pull back their forces from southern Angola as a vital step. I do not believe this would prejudice their position. Indeed, it would be a valuable step in the process leading to a Namibian settlement and greater regional stability. Conversely, I find it hard to see how their continued presence in Angola can serve South Africa's long-term interests.'

The Future of Southern Africa

Rejecting the notion that it was better for the West that South Africa retain control of Namibia since an independent Namibia would fall under Soviet domination, Sir Geoffrey said he believed the reverse was true. A settlement which enabled the people of Namibia freely and without external influence to determine their own future would reduce, not increase, the opportunities for external meddling and for further violence and would secure the removal of the Cubans from Angola. Even more important, a Namibia 'brought peacefully to independence and in a way which safeguarded the human rights and political freedoms of the minority communities would make an important psychological, political and economic contribution to the region's future'. In particular the door would open for greater cross-border co-operation. The black states in the area already understood the importance of working together, as shown by the Southern African Development Co-ordination Conference (see p 372), which Britain welcomed and for which it was offering concrete support, for example for the Limpopo railway project (see pp 371-2).

Geographical and economic necessities had also resulted in a measure of practical co-operation between South Africa and its black neighbours, and the future of the region was likely to depend on such co-operation, for nothing could or would be solved in an atmosphere of isolation and mutual suspicion. The concepts of statehood and sovereignty had to be recognised and acted upon on both sides of South Africa's borders, and those concepts were incompatible with support for, or toleration of, violent organisations, punitive military raids, and policies which politically or economically destabilised neighbouring states. South Africa had to have the breadth of vision to allow long-term change through mutual confidence and understanding rather than through confrontation and subversion.

The British Government, said Sir Geoffrey, along with that of the United States, stood ready to encourage and support cross-border contact and co-operation in the region. While he understood the strong and uncompromising views about South Africa held by many Commonwealth states and sympathised with their total rejection of apartheid, he believed that the Commonwealth model for successful international co-operation across cultures and races in solving political problems had relevance to southern Africa. 'But that model is unlikely to be taken up and used for the benefit of all the people there unless the Commonwealth demonstrates recognition of the political realities of the region.'

Concluding, Sir Geoffrey said: 'We in Britain are using our best efforts to promote and encourage the changes necessary in South Africa itself . . . And we are encouraging the black African states to play their part, realistically but without any sacrifice of principle. But this cannot be the sole responsibility of the West. In the end the problems are African ones. The first steps have to be taken by Africans – white Africans and black Africans alike.'

Commonwealth Heads of Government Meeting

Commonwealth heads of Government met in New Delhi, India, from 23 to 29 November. Among the topics discussed were world and

Commonwealth political developments, disarmament, the world economy and the problems facing developing countries.

In addition to a final communiqué, the meeting issued separate documents on international security, economic action and Commonwealth functional co-operation.

Britain was represented by the Prime Minister, Mrs Margaret Thatcher, who spoke at the opening session on 23 November.

PRIME MINISTER'S NEW DELHI SPEECH

Mrs Thatcher began by welcoming the representatives of Antigua and Barbuda and Saint Christopher and Nevis who were attending the meeting for the first time, and the membership of the Republic of Maldives [one of four special members who do not attend Heads of Government meetings].

Paying tribute to Mr Nehru, father of the present Indian Prime Minister and a pioneer of independent India and of the Commonwealth, Mrs Thatcher said that without his vision and genius, the Commonwealth would be a very different organisation. The practical idealism which had inspired its foundation was the guiding thread of the Commonwealth leaders' deliberations.

The World Economy

Discussing the world economic situation, Mrs Thatcher said that at this time of severe economic recession when many people were suffering the tragedy of unemployment, it was tempting to think that there ought to be some magic formula which would transform world trade and satisfy aspirations, but no such tidy solution existed. Nationally, producers had to respond to the needs of consumers, and governments had to provide a framework of sound finance; internationally, channels of trade, the means of exchange and the flow of capital had to be kept open so that producers in one country could find work by selling to consumers in another. The problems were complex and there were a number of causes, notably sharp increases in the price of oil; changing patterns of trade as new industrial countries, and new products and services, emerged; population growth and demographic change; technological advance; and mounting expectations as each saw how others lived.

Commenting on the report *Towards a New Bretton Woods* prepared by a Commonwealth group of experts (see p 370), Mrs Thatcher said she did not believe that the creation of new international institutions would solve these difficulties, nor could there be a reversion to a fixed exchange rate. However, the existing institutions – the International Monetary Fund, the World Bank and the General Agreement on Tariffs and Trade – could be 'further adapted and developed in the spirit which inspired the founders of Bretton Woods', and the sense of multilateral economic co-operation needed to be restored. In this way national economies would be well managed and the authority and scope for action of the international institutions strengthened.

International Security

On the world political situation, Mrs Thatcher said that the meeting was taking place in troubled times when East-West relations commanded particular attention and the consequences of misunderstanding could be 'profoundly dangerous' for the whole world. The need for tolerance had never been greater. Increased contact could ward off the worst dangers and Britain would work for a better East-West relationship in search of a safer world. Hoping that the Commonwealth heads of Government would lend their weight and authority to that same quest, Mrs Thatcher stressed that small nations needed security just as much as the big and powerful. Over the years, Europe and America had learned the value of collective effort to increase security. What was needed was more mutual co-operation, perhaps on a regional basis, for greater security.

Commonwealth Principles

Recalling the Declaration of Principles adopted at a previous heads of Government meeting in Singapore in 1971 (see p 65, 1971), Mrs Thatcher observed that its statements on economic matters, development, human rights, political democracy and external security still had great relevance. That Declaration had also expounded the fundamental aim of the Commonwealth 'to promote in each of our countries those representative institutions and guarantees for personal freedom under the laws that are our common heritage'. That aim could nowhere better be reaffirmed than in India, a democracy that had survived and triumphed to the great benefit of its citizens and to the benefit of all the peoples of the world to whom freedom and justice were the essence of life itself.

FINAL COMMUNIQUÉ

The text of the Final Communiqué, slightly edited, is as follows:

. . . Heads of Government reviewed a number of important current international issues. They were encouraged to find much common ground between them. In view of the overriding importance of issues relating to security, disarmament and the maintenance of peace, as well as the increasing tendency towards interference and intervention by political and economic means in the internal affairs of other states, they have in their Goa Declaration expressed their grave concern about them. Their views on a number of other problems and situations are set out below.

Cyprus

Heads of Government condemned the declaration by the Turkish Cypriot authorities issued on 15 November 1983 to create a secessionist state in northern Cyprus, in the area under foreign occupation [see p 422]. *Fully endorsing Security Council resolution 541 they denounced the declaration as legally invalid and reiterated the call for its non-recognition and immediate withdrawal. They further called upon all states not to facilitate or in any way assist the illegal secessionist entity.*

They regarded this illegal act as a challenge to the international community and demanded the implementation of the relevant UN resolutions on Cyprus.

At this critical moment for a member country of the Commonwealth, heads of Government, reaffirming their Lusaka and Melbourne communiqués [see pp 295-300, 1981] *and recalling the relevant Security Council resolutions, pledged their renewed support for the independence, sovereignty, territorial integrity, unity and non-alignment of the Republic of Cyprus. . . .*

They agreed to establish a special Commonwealth Action Group on Cyprus at high level to assist in securing compliance with Security Council resolution 541. The Group would consist of the following five countries, together with the Secretary-General: Australia, Guyana, India, Nigeria and Zambia.

Finally, they urged all states and the two communities in Cyprus to refrain from any action which might further exacerbate the situation.

Grenada

Commonwealth leaders discussed recent events in Grenada [see pp 362-8] *which have caused such deep disquiet among them and . . . reaffirmed their commitment to the principles of independence, sovereignty and territorial integrity and called for the strict observance of these principles . . . .*

Heads of Government agreed, however, that the emphasis should now be on reconstruction, not recrimination. They welcomed the establishment of an interim civilian administration in Grenada. They looked forward to its functioning free of external interference, pressure or the presence of foreign military forces and noted its intention to hold, as early as possible, elections which would be seen by the international community to be free and fair. On this basis, and given the readiness of the countries of the Caribbean Community to assist in the maintenance of law and order in Grenada if so requested by the Interim Administration, Commonwealth leaders confirmed their readiness to give sympathetic consideration to requests for assistance from the island state. In doing so, they stressed the importance they attached to an early return of Commonwealth countries of the Caribbean to the spirit of fraternity and co-operation that had been so characteristic of the region. . . . [Referring] to the special needs of small states . . . [heads of Government] recognised that the Commonwealth itself had given some attention to these needs in the context of economic development but felt that the matter deserved consideration on a wider basis, including that of national security. Recalling the particular dangers faced in the past by small Commonwealth countries, they requested the Secretary-General to undertake a study . . . of the special needs of such states consonant with the right to sovereignty and territorial integrity that they shared with all nations.

Southern Africa

Heads of Government expressed grave concern about the sharp deterioration of the situation in Southern Africa . . . Once again they identified apartheid as the root cause of repression and violence in South Africa and of instability in the region.

[They] expressed their indignation at repeated violations by South Africa of the territorial integrity of neighbouring states. These acts of aggression, intended to intimidate and destabilise South Africa's neighbours . . . endangered international peace and security and showed a total disregard for the norms of civilised conduct between sovereign states. They believed that the international community as a whole had an obligation to take effective measures to impose restraint on South Africa, and to ensure that the stability of the region was not jeopardised by further acts of aggression. In that context they called for the withdrawal of South African troops from Angola and an end to all forms of assistance to the subversive forces. As a significant element in collective action to achieve these objectives, heads of Government called for a stricter enforcement of the mandatory arms embargo so as to ensure that there are no loopholes in the implementation of Security Council resolution 418 of 1977 . . . .

Heads of Government recalled their view . . . that the denial of inalienable rights to the African majority was at the heart of the apartheid system. In the light of the Lusaka Declaration on Racism and Racial Prejudice [see p 221, 1979], *the overwhelming majority of heads of Government rejected the proposals of the South African Government for 'constitutional' change, since the African majority was wholly excluded from their scope and the proposals were designed not to eradicate but to entrench and strengthen apartheid; they consequently condemned the recent referendum as fraudulent.[1] The implementation of these proposals could only lead to a rising tide of anger against the injustice of apartheid with further repression and brutality directed at the African majority and other racial groups acting in solidarity with them.*

Heads of Government were of the view that only the eradication of apartheid and the establishment of majority rule on the basis of free and fair exercise of universal adult suffrage by all the people in a united and non-fragmented South Africa can lead to a just and lasting solution of the explosive situation prevailing in Southern Africa.

Heads of Government . . . were in full agreement on the need, without further delay, to bring about the independence of Namibia through the full and unconditional implementation of Security Council resolution 435 (1978). Hopes that such independence might be imminent had been frustrated when the United States and South Africa insisted on the withdrawal of Cuban troops from Angola as a precondition. Heads of Government, reflecting the view of the international community as a whole, firmly rejected any attempt to link the

[1] Replying to a question in the House of Commons on 1 December (*Hansard*, Vol 49, No 61, cols 995-6), Mrs Thatcher said that while she did not dissent from this part of the communiqué, she would not have used the word 'fraudulent'. It would help matters in South Africa to go in the way Britain would like – steadily to abolish apartheid — if Britain were to encourage those many people there who were working precisely for that.

independence of Namibia with the withdrawal of Cuban troops.[1] South Africa's occupation of Namibia is illegal, and acquiescence by any member of the international community in South Africa's attempt to undermine the central role of the United Nations in this matter strikes at the fabric of international order. In support of Security Council resolution 539 (1983) [see p 425]*, heads of Government urged members of the Contact Group to exercise their influence to secure the speedy and unconditional implementation of Security Council resolution 435 (1978). If South Africa continues to obstruct the implementation of resolution 435 the adoption of appropriate measures under the Charter of the United Nations will have to be considered.*

Heads of Government reaffirmed their commitment to uphold, in both spirit and letter, their 1977 Gleneagles Declaration on sporting contacts with South Africa [see p 261, 1977]*. Recognising that sport in South Africa cannot become genuinely multiracial until apartheid itself is eliminated, they urged all Commonwealth sportsmen not to be misled by recent changes in South African sport. Heads of Government noted that, as a result of the sporting boycott, South Africa had resorted to a strategy of massive financial inducements and they commended the many Commonwealth sportsmen and sports bodies who have resisted these blandishments. They also noted with satisfaction that the Commonwealth Games Federation had amended its constitution to enable it to fulfil its obligations with regard to the Gleneagles Declaration more effectively in future.*

. . . Heads of Government reiterated their support for the efforts of the member countries of the Southern African Development Co-ordination Conference [see footnote, p 372] *to strengthen their co-operation and to reduce their economic dependence on South Africa.*

Heads of Government commended the Commonwealth Committee on Southern Africa . . . and endorsed . . . its proposals for a Commonwealth education and training programme for South African refugees.

The Middle East

Heads of Government noted with deep concern and anxiety the heightening tensions, the dangerous concentration of forces and the generally worsening situation in the Middle East which posed a grave threat to world peace and security. They called for the exercise of utmost restraint by all concerned. They recognised the central importance of the Palestinian issue and stressed the need to intensify efforts for the achievement of a comprehensive, just and lasting settlement on the basis of relevant United Nations resolutions, Israel's withdrawal from territories occupied since 1967, and recognition of the rights of the Palestinian people including their inalienable right to a national homeland, as well as the right of all states in the region to live in peace within secure borders. Recalling their statement at Melbourne [see pp 295-300, 1981]*, and their support for self-determination, most heads of Government reaffirmed their view that the Palestine Liberation Organisation, as the sole and legitimate representative of the Palestinian people,[1] must be involved on an equal footing in negotiations for a settlement . . . .*

Heads of Government reaffirmed their support for the territorial integrity, independence and sovereignty of Lebanon, and expressed solidarity with the efforts of the Lebanese people and Government to restore stability and peace to their country. Many heads of Government called for the withdrawal of all foreign armed forces from Lebanon other than those present at the express request of the Government of Lebanon.

South-East Asia

Heads of Government were gravely concerned that . . . tension in South-East Asia arising especially from armed conflict in Kampuchea was continuing and if left unchecked would result in active intervention by major powers in the affairs of the region. They reaffirmed the right of the people of Kampuchea to determine their own destiny free from foreign interference, subversion and coercion. . . . They renewed their call for an urgent comprehensive political settlement of the problem which would lead to lasting peace in the region.

Heads of Government noted with approval the efforts being made for the early establishment of a zone of peace, freedom and neutrality in the region and called on all states to fully support these efforts.

Refugees

Heads of Government also noted with concern the continuing problem of Indo-Chinese refugees/illegal immigrants caused by the instability in Indo-China. They expressed their appreciation to countries of first transit burdened with this problem and to the resettlement countries for accepting these refugees/illegal immigrants. They were convinced that the root cause of this problem could be eliminated through a political solution to the conflict in Indo-China. They urged the countries which have the primary responsibility to tackle the problem of illegal departures at source by fostering the establishment of circumstances in which all the people concerned can live in peace and harmony and by co-operating with the United Nations High Commissioner for Refugees and resettlement countries to implement the Programme of Orderly Departures. Heads of Government noted with satisfaction the results of the First International Conference on Refugees in Africa convened in Geneva in 1981 and urged members of the Commonwealth and the wider international community to participate fully in the

[1]For Britain's view on the linkage issue see p 411.

[1]In a press conference in New Delhi on 29 November at the conclusion of the meeting, Mrs Thatcher said Britain could not accept the Commonwealth's recognition of the Palestine Liberation Organisation (PLO) as the 'sole and legitimate' representative of the Palestinian people who must be involved on an 'equal footing' in negotiations. Britain's view reflects that expressed in the Venice Declaration of 13 June 1980 (see pp 202-3, 1980) and in the House of Commons on 16 June 1980 when the Prime Minister said that while Britain could not recognise the PLO as the sole representative of the Palestinian people, there would not be a comprehensive Middle East settlement unless the PLO was associated with the negotiations.

Second [such] Conference ... to be held in Geneva in 1984.

Afghanistan

Heads of Government continued to be gravely concerned at the situation in and around Afghanistan and its implications both for the region's peace and stability and for international security. They renewed the call for an urgent search for a negotiated political settlement on the basis of withdrawal of foreign troops and full respect for the independence, sovereignty and non-aligned status of Afghanistan and strict observance of the principles of non-intervention and non-interference, which would leave the Afghan people free to determine their own future. They reaffirmed the right of Afghan refugees to return to their homes in safety and honour. Heads of Government noted with approval the discussions through the intermediary of the Secretary-General of the United Nations and urged their continuation.

Central America

Heads of Government noted with great concern the escalation of tensions in Central America which posed a threat to the peace and stability of the region, with potentially dangerous consequences for international security. They stressed the urgent need to ... achieve a lasting peace through dialogue and negotiations ... [and] ... welcomed the efforts of the Contadora Group of states to seek a negotiated settlement to the region's problems. They noted that these problems were rooted not in East-West ideological rivalry but in deep-seated social and economic ills. They urged all states to refrain from aggression, from the use of force or the threat of the use of force and from intervention and interference in the internal affairs of other states.

Guyana

In reaffirming their position adopted at Melbourne with regard to the controversy between Guyana and Venezuela arising from the resuscitation by Venezuela of a claim to more than two-thirds of the territory of Guyana, heads of Government noted that the Governments of these countries had referred the choice of a means of settlement to the Secretary-General of the United Nations in accordance with the provisions of the 1966 Geneva Agreement. They welcomed the unqualified undertaking given by the Venezuelan Government to eschew the use of force as a means of settling the controversy. Stressing the importance of the sanctity of treaties and respect for defined and demarcated boundaries, heads of Government expressed the hope that the controversy would be quickly and peacefully resolved.

Belize

Heads of Government noted with concern the continuation of the political problem between Belize and Guatemala and reaffirmed their full support for the efforts of the Government of Belize to maintain Belize's territorial integrity. They expressed satisfaction with the continuing role of the British Government in helping to provide for the security of Belize. They reiterated their commitment to co-operate in the search for a settlement ... [and] ... urged the parties to pursue negotiations on the outstanding issues so as to achieve a lasting settlement at the earliest possible opportunity.

Indian Ocean

Heads of Government again voiced their disappointment that despite the expressed wishes of littoral and hinterland states and the adoption in 1971 of the UN Declaration on the Indian Ocean as a Zone of Peace there had been a further increase in the military presence and rivalry of outside powers in the Indian Ocean with adverse consequences for the peace and security of the area. They called upon all the governments concerned to reach agreement for the convening of the proposed UN Conference on the Indian Ocean in 1984 or early in 1985 at the latest.

South Pacific

Heads of Government reiterated that the peoples of the remaining non-self-governing territories of the South Pacific should be given the opportunity to exercise their rights to self-determination and independence in accordance with the Charter of the United Nations .... They ... noted that the general principles of the concept of a nuclear-free zone had ... been discussed by South Pacific Forum member states and ... most expressed strong opposition to nuclear testing in the Pacific and to the proposals for the dumping and storage of nuclear waste material there.

Mediterranean

Heads of Government expressed their concern at the continuing tensions in the Mediterranean and the accumulation of forces in the region. They noted the desire of a number of Mediterranean countries to transform their region into a zone of peace. They urged all states concerned to participate effectively in all appropriate fora, especially the United Nations and the Conference on Security and Co-operation in Europe (CSCE), in agreeing upon measures aimed at reducing tensions .... They reaffirmed that peace and security in the Mediterranean and in Europe are closely interrelated and ... stressed the need for a full implementation of the relevant decisions of the CSCE, including the decisions agreed upon in the recently concluded Madrid meeting [see pp 324-8].

Law of the Sea

Heads of Government recalled the view expressed at Melbourne that a comprehensive and widely accepted Convention on the Law of the Sea would enhance the prospects for peace and security in the world. Most ... recognised the Convention ... [see pp 24-7] ... as a major step forward in the codification and development of international law ... [and] ... expressed the fear that the lack of universal support for the Convention would seriously undermine the effectiveness of an instrument that was designed to establish equitable and orderly management of the resources of the sea for the benefit of developed and developing countries alike. There was a widespread view that all states should sign the Convention and proceed to the ratification process without unnecessary delay.

International Economic Co-operation

Heads of Government reviewed developments in the world economy . . . and paid particular attention . . . to monetary and financial issues, protectionism and the state of the North-South Dialogue. . . . they drew attention to the recommendations of the Reports of the three Commonwealth Expert Groups on these subjects [see p 287, 1982; pp 300, 370, 1983].

Heads of Government stressed the need for and called upon the international community to take urgent and comprehensive action to deal with the grave problems facing the world economy. . . . [see New Delhi Statement].

Heads of Government expressed their satisfaction at the work of the Commonwealth in international economic co-operation. They noted that since they last met there had been meetings of ministers of finance, agriculture, trade, and labour and employment . . . . They requested the Secretariat to continue their work in the areas specified [by the meetings], *paying particular attention to the debt problems of low-income countries; concessional and private capital flows; trade issues affecting developing countries, especially present commodity prices and protectionism; the special problems of disadvantaged states; the problems of unemployment; food production and international food security issues.*

Food and Agriculture

Heads of Government noted the deteriorating food situation in many low-income countries . . . [and] *. . . called on international agencies and donor countries to redouble efforts to ensure increased financial and technical assistance for agriculture and expanded food aid to meet international targets in order to benefit in particular the food-deficit low-income countries. They also called on these food-deficit countries to make greater efforts to increase food production and support agricultural development through improved policies and increased investment . . . .*

Population

Heads of Government noted the serious pressure of population on the resources of many Commonwealth countries and especially on developing Commonwealth countries and the world in general. They recognised that in many Commonwealth countries measures to curb rapid population growth have proved quite successful but there is a need for those countries with greater expertise in this important field to assist those in need of it . . . .

THE GOA DECLARATION ON INTERNATIONAL SECURITY

The full text of the Declaration, agreed on 27 November, follows below.

As we meet together in India at the end of 1983, representing a quarter of the world's people from every continent and many regions, we have shared both our concerns and our hopes for international security. Despite differences of approach which affect the way we analyse and judge events, it is our perception that relationships between the world's major military alliances are in danger of becoming more confrontational. In the context of heightened tensions and a continuing build-up of nuclear arsenals, the future of civilisation as we know it could be threatened. None of our countries or peoples would be insulated from that fate.

We are alarmed by increasing disregard for the moral and legal principles which should govern the conduct of states; by the degree to which the ethic of peaceful settlement of disputes is being eroded and by the readiness of nations to resort to the illegal use of force.

At this time of crisis, we believe it to be imperative that the Soviet Union and the United States should summon up the political vision of a world in which their nations can live in peace. Their first objective must be to work for the resumption of a genuine political dialogue between themselves leading to a relaxation of tensions. We believe that Commonwealth governments can make a practical contribution in encouraging them to do so and in promoting a larger measure of international understanding than now exists.

Essential to that enlargement of understanding is the need to increase contacts at a variety of levels between the governments and peoples of East and West. A concerted effort is required to restore constructive dialogue to the conduct of East-West relations. Only thus can a climate of confidence be rebuilt in place of the prevailing one of fear and mistrust.

In all these pursuits we emphasise the supreme importance of political will. We therefore welcome Prime Minister Trudeau's call for a new political dimension in the quest for international security. We support his efforts to restore active political contact and communication among all the nuclear-weapon powers, and are willing to help these and other such efforts in all appropriate ways.

As Prime Minister Indira Gandhi has so consistently emphasised, the central issue in securing wider progress on disarmament is the stopping of the nuclear arms race. These are essential steps for progress in working towards a world released from the menace of nuclear weapons and their wider spread. If the resources released by disarmament were ploughed back in some measure into world development, the needs of the developing countries which are in the forefront of our concern could be significantly met.

We are concerned also over the diminishing capacity of international institutions to play an effective role in world affairs. Rejecting this negative trend, we pledge our renewed support for the principles enshrined in the United Nations Charter. There is, in our view, an urgent need to consider what practical steps can be taken to strengthen the United Nations system and to improve its capacity to fulfil the objectives of the Charter.

We are particularly concerned at the vulnerability of small states to external attack and interference in their affairs. These countries are members of the international community which must respect their independence and, at the very least, have a moral obligation to provide effectively for their territorial integrity. We have separately agreed on

an urgent study of these issues. Additionally, however, we will play our part in helping the international community to make an appropriate response to the UN Secretary-General's call for a strengthening of collective security in keeping with the Charter.

Meeting here in India, we cannot emphasise too strongly our belief that an ethic of non-violence must be at the heart of all efforts to ensure peace and harmony in the world. That ethic requires close adherence to the principle of peaceful settlement. Only by such a commitment on all sides will the world's people enjoy an environment of true international security.

Finally, we retain faith in human capacity to overcome the dangers and difficulties that threaten the world and to secure for all its people the prospect of a more peaceful international environment. We shall work together to fulfil that faith.

NEW DELHI STATEMENT ON ECONOMIC ACTION

After describing the effects of 'the most serious and pervasive recession' since 1945 and expressing their concern about long-term structural problems, heads of Government continued:

Since we met in Melbourne there have been some signs of recovery. But the recovery remains uneven and fragile, and its overall pace has been disappointing. Its impact continues to elude the developing world. Moreover, there are considerable dangers in the present situation. Recovery remains at risk because of continuing high real interest rates, excessive budgetary deficits, inflationary expectations, and rising protectionism. . . .

National and International Policy

All countries have a responsibility for pursuing prudent domestic economic policies. At the same time we are deeply conscious of the crucial international dimension to our problems. The domestic policies of major countries make an impact on the well-being of others. Mutually acceptable principles governing trade and financial flows must be found by the international community. We share a common belief that the Bretton Woods institutions need to be adapted and better equipped to help cope with the full magnitude of the global crisis. These institutions need the resources and operational flexibility to meet the changing requirements of the international economy. In particular, the adjustment efforts of the developing countries must be supported by adequate resources on appropriate terms and conditions from the international financial institutions. We believe that these institutions must develop and adapt to the conditions of the 1980s and beyond. They must help sustain resource flows to developing countries. We especially recognise the need for increasing concessional flows to developing countries, especially the least developed. Access to the international and regional financial institutions by the small states must be improved.

Reform

We recognise that there are some differences concerning the nature and scale of the reforms and adaptations required in the international economic system. These have been reflected in different formulations of the problem. The Commonwealth report Towards a New Bretton Woods *recognised that there are many deficiencies in the system, and recommended that the international community should work towards an international conference on the world's financial and trading system. The Non-Aligned Summit has proposed an international Conference on Money and Finance for Development with universal participation. The Williamsburg summit has invited finance ministers to define the conditions for improving the international monetary system and to consider the part which might in due course be played in this process by a high-level international monetary conference.*

We believe that the situation calls for a comprehensive review of the international monetary, financial and relevant trade issues. An immediate process of preparatory consultations is needed to identify areas of agreement, potential agreement and areas requiring further consideration. All the countries affected must be directly involved in the discussions and decision-making. There is a widespread belief among us that it will be necessary to discuss these issues at an international conference with universal participation. The preparatory process could result in a consensus on convening such a conference.

Role of the Commonwealth

. . . We believe [the Commonwealth] *can be particularly effective when, as a representative group of developing and developed nations, we can speak with a common voice to the rest of the world. We have found a common voice on certain specific and immediate issues and we believe we can point the way forward on the more complex, longer-term questions.*

Immediate Issues

As to the former, we unite in calling for prompt and substantial additional resources to be made available to the international financial institutions, and in particular to the IDA under the seventh replenishment [see p 430). *We stress the need for the negotiations on the replenishment to be completed urgently to ensure that* [it] *becomes effective by 1 July 1984. The negotiations should take into account the need to accommodate an expanded recipient community and the critical importance of enhancing the growth prospects of developing countries. . . . We also concur in deploring the rising level of protectionism. . . .* [and] *reaffirm our support not only for a standstill in the adoption of further protectionist measures but also for a progressive relaxation of those now in force. We see this, along with sustained world recovery, as crucial to the resolution of the developing country debt problem. We have consequently requested the Secretariat, with the aid of a group of experts, to examine the developing country debt problem in all its aspects . . .*

The Process

As to longer-term questions, we are encouraged by the growing recognition that more co-operative relations must be established between the developed and the developing countries; growing interdependence and mutual interests make renewed efforts to establish such relations imperative. We believe that the way in which the Commonwealth functions is, in itself, evidence that dialogue is not only possible but fruitful. We endorse the practical and business-like approach to the negotiations recommended in the Commonwealth report North-South Dialogue: Making it Work. . . .

We have accordingly decided to establish a Commonwealth consultative group for the purpose of promoting a consensus on the issues covered by this Statement. . . . [and] *. . . to report to finance ministers in good time before they meet next year in Toronto.*

COMMONWEALTH FUNCTIONAL CO-OPERATION

In a separate communiqué, heads of Government described functional co-operation as 'an important and dynamic aspect of the Commonwealth'. The strengthening of the Commonwealth Fund for Technical Co-operation as a result of increased contributions by all members was noted, as also was the valuable work of the Fund's Industrial Development Unit in assisting small island states and in promoting regional and inter-regional co-operation. The importance of student mobility and educational interchange within the Commonwealth was emphasised, and heads of Government agreed to establish a Higher Education Unit within the Commonwealth Secretariat to further this area of co-operation. They also reaffirmed their support for the Commonwealth Youth Programme and for an expanded programme of scientific co-operation, particularly in areas of developmental significance.

The importance of women in the process of development, both as agents and beneficiaries, was recognised, and heads of Government directed that Commonwealth programmes should pay special attention to the disadvantages that women experience in such fields as agriculture, education, commerce and the law. The further development of Commonwealth activities on employment and labour was endorsed, and it was agreed to establish a working group to examine member countries' experience in managing technological change.

The great potential of the Commonwealth Foundation to contribute to Commonwealth co-operation was recognised, and heads of Government agreed that its income should be set at some £1·6 million for both 1984-85 and 1985-86, though they recognised that this figure might not be attained in 1984-85.

Intermediate Nuclear Forces

The Soviet Union's decision on 23 November to withdraw from the Geneva negotiations on intermediate-range nuclear forces which began in November 1981 has been condemned by Britain and the United States. Earlier, the continuing build-up of Soviet intermediate-range nuclear forces was examined by a meeting in October of the North Atlantic Treaty Organisation's Nuclear Planning Group.

Explaining the Soviet decision in a message read out on radio and television in Moscow on 24 November, the Soviet President, Mr Yuri Andropov, said that the deployment of United States cruise and Pershing II missiles in Western Europe had made the continuation of the negotiations impossible. Since deployment had prevented a mutually acceptable accord being made, corresponding Soviet systems would be deployed in ocean and sea areas, and the moratorium on deployment of Soviet medium-range systems in the European part of the Soviet Union was being abrogated. In addition, preparations to deploy tactical missiles of increased range in the German Democratic Republic and Czechoslovakia would be accelerated. Stressing that the Soviet Union was not seeking military superiority but would take measures only to ensure that the military balance was not upset, Mr Andropov said that, if the situation which had existed prior to the siting of United States missiles was re-established, then Soviet proposals on limiting and reducing nuclear arms in Europe would again become valid.

The United States President, Mr Ronald Reagan, said on 23 November that he was disappointed but not surprised by the Soviet decision, believing that the withdrawal from the negotiations would not be permanent. The United States would be ready to continue with the talks whenever the Soviet Union was ready to come back. The danger of a nuclear conflict between the superpowers had not been increased since the Soviet Union was aware as much as the United States that there could not be a nuclear confrontation in Europe. Responding on 24 November to Mr Andropov's statement, President Reagan said: 'We can only be dismayed at this Soviet statement. It is at sharp variance with the stated wish of the Soviet Union that an agreement be negotiated. We are determined to renew our efforts to entirely do away with the land-based intermediate-range nuclear missile systems. We continue to seek negotiations in good faith.'

[On 8 December, at the strategic arms reduction talks (START) which have been taking place in Geneva since June 1982 (see p 190, 1982), the Soviet Union rejected United States proposals for setting a date for a further meeting. A statement in the official Soviet news agency, *Tass*, on the same day explained that the deployment of United States intermediate-range missiles in Europe had 'changed the global strategic situation', compelling the Soviet side 'to re-examine all the issues'. Regretting the Soviet decision, the leader of the United States delegation, Mr Edward Rowny, expressed the hope that the Soviet Union would soon agree on a date for resuming the talks 'which are in the interest of both our nations and the entire world'. Pointing out that the United States had shown flexibility throughout the talks

and had taken into account Soviet concerns, Mr Rowny said that the United States was prepared 'to continue to negotiate in this manner towards a mutually acceptable agreement'.]

British Reaction

Speaking in the House of Commons on 23 November (*Hansard*, Vol 49, No 55, cols 328-41), Mr Richard Luce, Minister of State at the Foreign and Commonwealth Office, said that the Government regretted the Soviet decision and saw no justification for it. As recently as 15 November the United States had tabled a further constructive proposal[1] which had been rejected out of hand by the Soviet Union. Although the Soviet Union might try to justify its interruption of the negotiations by the West's final preparations for initial deployment of intermediate-range nuclear missiles, the West had remained at the conference table while the Soviet Union had increased its deployment of SS20s by over 40 per cent.

Mr Luce pointed out that the North Atlantic Treaty Organisation (NATO) had made its first priority the achievement of a balanced and verifiable agreement to reduce and if possible eliminate intermediate-range weapons throughout the world. At the same time the Alliance had made it clear that, until such an agreement was attained, it would proceed in accordance with its 1979 decision to work towards a balance which would safeguard Western security. 'We will not be deflected from achieving the first stage of this objective by the end of this year.'

Emphasising that the Alliance remained ready to halt or reverse at any time the deployment of the missiles if an agreement with the Soviet Union could be secured that would allow it to do so, Mr Luce concluded: 'The achievement of such an agreement remains our unshakeable objective. The Alliance will spare no effort to secure it. We remain convinced that an agreement is possible and that it remains in the interests of East and West that the negotiations should resume at the earliest possible date. We therefore urge the Soviet Union to demonstrate an equally sincere commitment to arms control by returning to the negotiating table.'

Deployment of Missiles

On 14 November the Defence Secretary, Mr Michael Heseltine, announced in the House of Commons (*Hansard*, Vol 48, No 48, cols 618-30) that the first of the 160 cruise missiles scheduled to be stationed in Britain had arrived by air at the Royal Air Force base at Greenham Common in Berkshire.

Noting that on 31 October the House of Commons had reaffirmed by a majority of 144 its support for NATO's decision regarding intermediate-range nuclear forces (see pp 358-60), Mr Heseltine said that the deployment of the missiles was 'wholly consistent with the Alliance decision to achieve an initial operational capability by the end of 1983 in the absence of agreement on the zero option'.

The continuing preparations for operational deployment did not in any way lessen NATO's commitment to negotiations or reduce the desire of the Alliance to reach agreement on arms control with the Soviet Union. NATO deployment was planned to be over a five-year period; it could be halted, modified or reversed at any time if results in Geneva warranted it.

On 22 November, the Federal German parliament (the Bundestag) voted by 286 to 226 in favour of a motion reaffirming an earlier resolution in May 1981 to support the Federal Government in the consistent and timely implementation of both parts of the December 1979 NATO decision on intermediate-range nuclear forces and arms control (see pp 313-14, 1980). On the next day it was announced that the first nine of the 108 United States Pershing II missiles scheduled to be deployed had arrived at bases in the Federal Republic.

NATO Meeting

In a communiqué published after a meeting of NATO's Nuclear Planning Group in Quebec on 27 and 28 October, defence ministers said that, although it was unnecessary for the Alliance to match the Soviet Union system for system or warhead for warhead, the Soviet Union, in contrast to NATO's policy of restraint, was constructing at least three new SS20 bases east of the Ural Mountains in addition to the 351 operational SS20 launchers, equipped with 1,053 warheads, already deployed. The Soviet Union was also retaining a large number of SS4 and SS5 missiles and replacing older shorter-range missiles with new and accurate SS21, SS22 and SS23 missiles. Moreover, it was threatening to deploy additional shorter-range missiles and to adopt other military and political measures in the event of NATO's proceeding as planned with its intermediate nuclear forces. Ministers re-emphasised their commitment to deploy these missiles in the absence of a concrete arms control agreement.

The meeting reaffirmed that the Western proposal to eliminate the entire category of United States and Soviet intermediate-range missiles (see pp 359-61, 1981) would be the best and most equitable outcome. Ministers also fully supported the United States offer (see pp 125-6) of an interim agreement providing for United States and Soviet equality in missile and warhead numbers and its determination to explore every proposed solution for an agreement that met the Alliance's legitimate security concerns. The basic criteria for such an agreement were significant reductions based on equality of rights and limits between the United States and the Soviet Union, no inclusion of or compensation for third-country systems (that is, the British and French nuclear systems), global limitations, no weakening of the United States contributions to NATO's conventional deterrence and defence, and effective verification.

Ministers said that they would continue to

[1]In this proposal, the United States offered to accept an interim equal global ceiling of 420 warheads in long-range intermediate nuclear missiles. This limit is equivalent to the 140 SS20 missiles (each with three warheads) which Mr Andropov proposed on 26 October as the number of Soviet intermediate-range nuclear forces if the United States would agree to abandon its planned deployment of cruise and Pershing II missiles.

examine all Soviet proposals in the light of the Alliance's agreed criteria. The Soviet Union, however, regrettably continued to insist on a monopoly in land-based intermediate-range missiles. The West had continued to negotiate for two years while the Soviet SS20 build-up had continued. The Soviets, therefore, had absolutely no justification for breaking off negotiations as NATO's deployment went forward. The Alliance's commitment to negotiations would continue even after initial deployments and ministers remained willing to reverse, halt or modify deployments – including the removal and dismantling of missiles already deployed – if and when a balanced, equitable and verifiable agreement was achieved.

Defence ministers also decided to withdraw a further 1,400 nuclear warheads from NATO stockpiles during the next five years, in addition to the 1,000 already removed from Europe since 1979.

Co-operation between the United Kingdom and the Irish Republic

Co-operation between the United Kingdom and the Irish Republic over the past two years is reviewed in a joint report of the Anglo-Irish Intergovernmental Council which was considered by the Prime Ministers of the two countries at their meeting on 7 November (see p 362). The report covered such subjects as institutional structures, citizenship rights, security, economic co-operation and measures to encourage mutual understanding. With the exception of the section on security matters the report was issued as an annex to the communiqué released after the talks.[1]

The Report

The report was prepared by the Co-ordinating Committee of the Anglo-Irish Intergovernmental Council which was established in November 1981 to encourage contacts between the United Kingdom and the Irish Republic at ministerial and official levels and more widely outside the framework of the Council (see p 318, 1981). In the view of the co-chairmen of the Steering Committee, which consists of officials representing the two governments, the recent intensification of contacts has been positive and useful and has led to a genuine increase in co-operation.

The account of the links between the two countries given in the report is summarised below.

Institutional Structures

Since the first ministerial meeting of the Anglo-Irish Intergovernmental Council in January 1982 there have been 20 such meetings at which a wide range of political, economic and cultural matters have been discussed. The establishment of the Anglo-Irish Encounter Organisation was announced in July 1983 (see p 252) and the first conference organised by Encounter will take place early in 1984.

Citizenship Rights

The Electoral (Amendment) Bill, which would confer voting rights at Dail (parliamentary) and presidential elections and in referenda on British citizens resident in the Irish Republic on the same basis as Irish citizens, has been given a second reading in the Irish Parliament. There has been no change in the long-standing voting rights exercised by Irish citizens resident in the United Kingdom [who have the same rights as British citizens to vote in parliamentary and European Parliament elections and in local government elections in Great Britain but not in Northern Ireland].

Economic Co-operation

The report refers to the 'satisfactory working relationship' on a number of economic matters that already existed when the Anglo-Irish Intergovernmental Council was set up and describes the contacts made over the past two years.

Energy: Negotiations at ministerial level on the supply of natural gas to Northern Ireland from the Kinsale Field in the Republic culminated in the agreement reached in October 1983 (see p 386).

The desirability of restoring the electricity link between Northern Ireland and the Republic has been agreed, the interconnector having been out of use for several years because of terrorist attacks within Northern Ireland. The feasibility of establishing an electricity link between south Wales and the Republic is also being reviewed.

Marine Pollution: Meetings have taken place on co-operation in dealing with the disposal of toxic waste, the monitoring of water pollution in Lough Erne and Lough Foyle (where the fisheries are jointly managed) and the development of North-South liaison on oil pollution of coastline and estuaries.

Direct Broadcasting by Satellite: There have been informal consultations between the relevant Irish and British authorities on the potential for co-operation in this field.

Agriculture: There is regular contact between Irish and British officials on agricultural matters and frequent contact between the agriculture departments in the North and South. Topics discussed include drainage schemes and the operation of agricultural development programmes for the west of Ireland and the North. Joint arrangements for the protection and improvement of animal and plant health have worked to the mutual advantage of both agricultural industries.

Lough Foyle: A joint survey of the mussel resources of Lough Foyle has been carried out and ways of encouraging the development of shellfish culture are being considered.

Co-operation in Border Areas: There have been consultations on the implementation of three economic studies in cross-border areas and allocations have been made from the European Community's Special Border Areas Programme, mainly

[1] *Anglo-Irish Intergovernmental Council: Communiqué of the Anglo-Irish Summit of 7 November 1983 and Related Documents*. Cmnd 9094. HMSO, £2·70. ISBN 0 10 190940 3.

in respect of tourism and small firms (£4·5 million for Northern Ireland and £9 million for the Republic). The Economic and Social Committee of the European Community has established a study group to examine the development needs and potential of the border areas. The report notes that an increasing amount of co-operation between the United Kingdom and the Irish Republic takes place within the framework of the European Community.

Trade: Discussions have taken place on the possibilities for trade co-operation and joint promotional activities and some Northern Ireland firms have participated in Irish stands at trade fairs. A components exhibition held in Northern Ireland was jointly sponsored by the Northern Ireland Industrial Development Board and the Irish Goods Council.

Industrial Training: ANCO, the Irish Industrial Training Authority, co-operates with the Manpower Services Commission in Great Britain and with the Department of Economic Development in Northern Ireland. This has led to exchange visits between North and South and participation in training programmes. There are also contacts between the Irish Department of Labour's industrial inspectorate and the British Health and Safety Executive.

Tourism: A tripartite committee comprising the British Tourist Authority, the Northern Ireland Tourist Board and Bord Failte (the Irish Tourist Board) co-operates on tourist issues, including market research and development. There is also contact between officials in the relevant government departments and at local authority level. Plans are advanced for the Northern Ireland Tourist Board and the British Tourist Authority to open a tourist information centre in Dublin.

Measures to Encourage Mutual Understanding

Youth Affairs and Sport: A variety of youth exchange schemes are in operation between the Irish Republic and Great Britain and Northern Ireland and the Irish minister responsible for youth affairs has initiated contacts with his counterpart in Northern Ireland. Both governments have given financial support to a reciprocal training programme for unemployed young people operated by voluntary bodies in Dublin and Omagh.

There is also close co-operation between the Irish Sports Council and the Sports Councils in Northern Ireland and in London. Discussions are taking place about joint themes for the International Year of Youth in 1985. Cross-border co-operation between sporting bodies is continuing to develop and the mountain rescue committees in North and South are establishing cross-membership.

Voluntary Organisations in Community Relations: There are considerable contacts arising from voluntary organisations working in the field of community relations. Co-operation North has launched a Working Together Award Scheme and has received financial help from both governments in recognition of its contribution towards better relations between North and South. The Glencree Reconciliation Centre has received grants from the Irish Government, and the United Kingdom Government gives assistance to a number of organisations such as Corrymeela, the Churches Central Committee for Community Work, the Harmony Community Trust and Protestant and Catholic Encounter.

Student teachers have participated in North-South exchanges and students from the South have undertaken teaching practice in the North. There have also been contacts between schools and schools inspectors, and courses in Northern Ireland have been attended by adult education organisers from the South. Discussions have taken place about the scope for greater use of higher education places in Northern Ireland by students from the Republic, and vice versa. It is estimated that about 700 students from the North are studying in the South and about 150 students from the South attending higher education courses in the North.

Proposals are under discussion for the Open University to provide, on a commercial basis, specialist advice to the Distance Study Unit of the Irish National Institute for Higher Education. There have also been close contacts between the Council for Continuing Education in Northern Ireland and its counterpart in the South.

The Irish Council of Churches and the Justice and Peace Commission have almost completed a project to provide teaching material on community relations for schools.

Secondment of Officials: There have been discussions between officials of the Department of the Public Service in Dublin and the Management and Personnel Office in London on the possible secondment of officials on the lines of similar arrangements between other member states of the European Community.

Co-operation in Cultural Matters: The report says that the cultural relationship between the peoples of the two countries is uniquely close and notes some examples of co-operation in cultural matters. There have been contacts between museums in the United Kingdom and the Irish Republic, in particular the British Museum and the National Maritime Museum with the National Museum of Ireland. Loans of objects and pictures have been made in each direction. There has also been extensive co-operation between the museums of Northern Ireland and of the Republic, including joint exhibitions, school visits and contacts between staff.

Trinity College, Dublin continues to be a copyright library in common with the five United Kingdom libraries and British material is deposited there. Similarly Irish material is deposited in the British Library.

The British Film Institute involves itself in the Dublin Film Festival and there is frequent interchange of material with the Irish Film Archive. Five Irish films supported by the Irish Film Board were shown at the London Film Festival in November. Drama companies subsidised by the Arts Council of Great Britain have visited Ireland and in 1982 the British Council made a grant to the Dublin

Theatre Festival where a number of British companies appeared, and also to the Wexford Festival Opera.

The Arts Councils of Northern Ireland and of the Republic have exchanged annual visits and there are annual meetings between their directors and those of the Arts Councils of Scotland and Wales. Views have been exchanged on policy issues and practical co-operation has taken place in a number of activities.

Cyprus

Britain has deplored the declaration by the Turkish Cypriot authorities purporting to establish an independent state in northern Cyprus. A British-sponsored resolution calling on all states to respect the sovereignty, independence and territorial integrity of the Republic of Cyprus was adopted by the United Nations Security Council on 18 November.

The declaration, announced on 15 November, purported to establish a Turkish republic of North Cyprus as an independent state and said that the Turkish and Greek Cypriot communities had to find peaceful, just and durable solutions to their differences through negotiations on the basis of equality. The proclamation of a new state would not hinder but facilitate the establishment of a genuine federation. The declaration promised that the 1960 treaties would be adhered to and stated that the good offices of the United Nations Secretary-General had to continue. In addition, it said that the new 'state' would be non-aligned and would not join any military bloc or unite with any other state.

On the same day as the declaration, the British Government issued a statement pointing out that the action was incompatible with the Treaty of Guarantee concluded in 1960 when Cyprus became independent. At the same time, the British ambassador in Ankara called upon the Turkish Government not to associate itself with the action and the Prime Minister, Mrs Margaret Thatcher, sent a message to the President of Turkey urging him to help secure a reversal of the Turkish Cypriot declaration. Later that day, however, the Turkish Government recognised the Turkish Cypriot secession.

In accordance with its responsibilities as a guarantor power, Britain twice contacted the other guarantor powers, Greece and Turkey, in an attempt to set up talks. However, because the conditions set by the two states for a meeting were inconsistent, no such talks have yet been held. Britain also took action to secure an early meeting of the United Nations Security Council. On 22 November the ten members of the European Community welcomed Britain's United Nations initiative and unanimously agreed that there could be no possible recognition of the Turkish Cypriot move.

BACKGROUND

Cyprus became an independent and sovereign republic on 16 August 1960. It had been placed under British administration in 1878 as part of the arrangements for a British-Turkish defensive alliance, though it remained technically under Turkish sovereignty until 1914 when Britain annexed the territory. It became a Crown Colony in 1925.

The independence constitution, based on a formula agreed by the British, Greek and Turkish Governments in 1959, provided various safeguards for the position of the Turkish minority on the island. It stipulated that the President of the Republic should be a Greek Cypriot and the Vice-President a Turkish Cypriot; both were given the right of veto over any law or decision of the legislature concerning foreign affairs and certain questions of defence and security. The constitution also forbade the union of Cyprus with any other state.

Under a Treaty of Guarantee signed by Britain, Greece and Turkey in 1960, the independence, territorial integrity and security of the Republic of Cyprus was recognised and guaranteed. Under Article Four, Britain, Greece and Turkey undertook to consult together in the event of a breach of the treaty's provisions and, if common or concerted action was not possible, each reserved the right 'to take action with the sole aim of re-establishing the state of affairs created by the present Treaty'. The Cyprus Government, which was also a signatory, undertook 'not to participate, in whole or in part, in any political or economic union with any state whatsoever'. All four governments signed a treaty providing for the establishment of two sovereign military base areas for use by Britain. Cyprus, Greece and Turkey signed a treaty of alliance in which they undertook to co-operate for their common defence and which provided for the stationing on the island of 950 Greek and 650 Turkish troops.

Although the basic articles of the Cyprus constitution were intended to ensure that the rights and interests of the Greek and Turkish communities should be fully respected and kept in balance, they became in practice a subject of conflict. In 1963 there was serious intercommunal fighting, following which the Turkish Cypriot representatives withdrew from the Cyprus Government. The fighting also led to the establishment of a Joint Peacekeeping Force (Britain, Greece and Turkey) under British command. Following British submissions, the Security Council resolved in 1964 to set up a United Nations Force in Cyprus which still remains in existence, Britain being a major contributor of troops and logistic services.

Further outbreaks of violence took place in 1967, and early in 1968 a Turkish Cypriot Provisional Administration was set up by the Turkish Cypriots to administer their enclaves on the island pending an intercommunal settlement. Over the next few years intermittent talks took place between the two communities, but with no result.

On 15 July 1974 the Cyprus Government was overthrown in a *coup* carried out by troops of the National Guard (see pp 305-9, 1974). Turkish armed forces were placed in a state of alert and

on 20 July they landed on the island and occupied its northern region. A ceasefire came into effect following a United Nations Security Council resolution and the leader of the *coup*, Mr Nicos Sampson, resigned on 23 July. Talks took place between the guarantor powers in Geneva but on 14 August they broke down and Turkish forces resumed their advance, occupying 36 per cent of the island. In February 1975 the Turkish Cypriots constituted a Turkish Federated State of Cyprus which was not recognised by the international community with the exception of Turkey.

In 1979 both communities agreed to resume negotiations, but progress was slow. In November 1981 they accepted the tabling of a United Nations paper, or 'evaluation', designed to bridge the gap between the two sides and to lend some structure and substance to the negotiations. During the next 18 months representatives of the two communities, guided by the United Nations representative in Cyprus, Dr Hugo Gobbi, undertook a thorough discussion about a future Cyprus constitution.

The Cyprus issue was discussed at a special session of the General Assembly in May 1983 at the request of Greece. A resolution was passed demanding the immediate withdrawal of all occupation forces from Cyprus and the cessation of all foreign interference in the island's affairs, and affirming the right of Cyprus and its people to full and effective sovereignty and control over the entire territory of Cyprus. It also welcomed the intention of the Secretary-General to pursue his own personal involvement in the search for a solution. Britain, while welcoming the clause on the Secretary-General's involvement, abstained in the belief that the resolution would not help to solve the problem.

The Turkish Cypriots reacted unfavourably to the passage of the resolution, arguing that the Greek side had reneged on an undertaking not to bring up Cyprus at international talks as long as negotiations were continuing between the two communities and that their leader, Mr Rauf Denktash, had not been permitted to present their case. Mr Denktash stated that the Turkish Cypriots had no alternative but to change their part of the island into an independent entity. In June the Turkish Cypriot Assembly passed a resolution asserting the right to self-determination and on 15 November the Turkish Cypriots issued a declaration purporting to create an independent state in northern Cyprus called the Turkish Republic of North Cyprus.

BRITISH GOVERNMENT STATEMENTS

Speaking in the House of Commons on 15 November (*Hansard*, Vol 48, No 49, cols 725-30), the Foreign and Commonwealth Secretary, Sir Geoffrey Howe, said that the Government deplored the Turkish Cypriot action which amounted to a declaration of secession and was incompatible with the 1960 treaties (see above). 'Our position has always been that we recognise only one Republic of Cyprus. That remains the position today. In our view this latest move cannot be seen as altering the status of the Turkish Cypriot community.' Britain would deeply regret it if, as seemed all too likely, this action provoked the breakdown of intercommunal talks and the consultations carried out by the Secretary-General of the United Nations.

Noting that there had been reports that a move of this sort had been contemplated by the Turkish Cypriot authorities for some time, Sir Geoffrey said that Britain had made it clear to Mr Denktash and to Turkey that the Government would strongly disapprove of any such action. In accordance with British responsibilities under the 1960 Treaty of Guarantee, the Government would be proposing urgent consultations with both the Turkish and the Greek Governments. It was in direct contact with the Cyprus Government and would consult with other interested governments and with the United Nations Secretary-General who had been playing a key role in the search for a peaceful solution to the Cyprus problem.

In a television interview, also on 15 November, Sir Geoffrey said that the decision of the Turkish Government to recognise the declaration of independence was deeply regrettable since it contributed to the consolidation of a division between the two halves of the island contrary to the intentions of the 1960 treaty and to the implications of that treaty for the three guarantor powers. It would have been far better for the two communities to have carried forward the talks that the United Nations Secretary-General was undertaking in an attempt to put together a coherent arrangement for one government for the island of Cyprus. 'The tragedy is that when we were getting perhaps close to the point when those talks could be resumed with some sense of purpose that prospect has been shattered by this one-sided declaration of independence, by this attempt to secede from the constitutional arrangements designed for the whole of Cyprus.'

Commenting on the effects on the North Atlantic Treaty Organisation (NATO),[1] Sir Geoffrey observed that the dispute about the present and future status of Cyprus had existed for many years within NATO. 'Our purpose must be to maintain that important alliance, important for the defence of the West, and try and urge everyone concerned to begin putting the pieces together again in Cyprus.'

House of Lords Debate

Speaking in the House of Lords on 16 November (*Hansard, HL*, Vol 444, No 34, cols 1288–1316), Lord Trefgarne, Parliamentary Under-Secretary of State for Defence, observed that the United Nations debate on Cyprus in May had not brought a settlement any closer and that no further meeting of the Greek and Turkish Cypriot communities had taken place since then. Nevertheless the United Nations Secretary-General, Señor Pérez de Cuellar, had strengthened his personal involvement in the search for a solution to the problem and in August had presented new ideas to the two communities. Although the details had been confidential, the British Government understood that Señor Pérez de Cuellar had suggested a basis on which to concentrate initial discussion.

[1] Both Greece and Turkey are members of NATO.

Although this had given the two sides an opportunity, it was clear that both would have to make difficult concessions. 'Whatever the structure and details of a future solution to the Cyprus problem, it has always seemed most unlikely that either side could obtain everything it wants.'

Lord Trefgarne said that after the United Nations debate Mr Denktash had begun to threaten to declare an independent Turkish Cypriot state in northern Cyprus. 'We told Mr Denktash that a declaration of independence was in the interests neither of Cyprus as a whole nor of his own community. We told him, and the Turkish Government, quite unequivocally that we would not recognise a purported new state and that a declaration of independence would amount to secession, which would be incompatible with the 1960 treaty arrangements. Most of our major allies agreed with our views and made similar representations.' During this period Britain had also kept in close touch with the Governments of Greece and Cyprus.

Looking to the future Lord Trefgarne said that Britain would continue to give its firm support to the United Nations Secretary-General and was ready to do anything which he considered could help. 'At the same time, however, we wish to discourage any action which will lead to a deterioration of the situation on the ground in Cyprus. The last few days have been sad ones for the island, but we remain convinced that a solution can and must be found. It will be found only when the two communities are prepared to show the will and the flexibility to make the necessary progress.'

Opposition Views

Speaking for the official Opposition, Lord Cledwyn of Penrhos deplored and condemned the declaration, pointing out that it not only broke the 1960 treaties and contravened United Nations resolutions, but also brought a new and dangerous dimension to the Cyprus problem. His party supported all the actions taken by the Government and urged it to use all its efforts in support of a strong and urgent United Nations initiative to convene a meeting of the parties to try and solve the question.

SECURITY COUNCIL DEBATE

On 18 November the United Nations Security Council adopted, by 13 votes to one with one abstention, a British-sponsored resolution (No 541) deploring the purported secession and calling for the withdrawal of the Turkish Cypriot declaration which it described as legally invalid. It requested the Secretary-General to pursue his mission of good offices in order to achieve the earliest possible progress towards a just and lasting settlement and called upon the parties to co-operate fully with him. It also requested all states to respect the sovereignty, independence, territorial integrity and non-alignment of the Republic of Cyprus, called upon them not to recognise any Cypriot state other than the Republic of Cyprus, and asked all states and both Cypriot communities to refrain from any action that could exacerbate the situation.

British Statement

The British Permanent Representative, Sir John Thomson, told the Council on 18 November that Britain had requested a meeting of the Council because of its deep concern at the action taken by the Turkish Cypriots and because of its belief that the situation could become more serious. Britain recognised only one Cypriot state, the Republic of Cyprus under the government of President Kyprianou. 'The Turkish Cypriot action is incompatible with the state of affairs brought about by the treaties governing the establishment of the Republic of Cyprus. My Government has treaty obligations in this respect which we share with the Governments of Greece and Turkey. . . . We are also concerned, because of our long historical links with Cyprus continuing into the present day with our mutual membership of the Commonwealth and with the settlement in Britain of many Cypriots from both communities.'

Sir John explained that the draft resolution was directed at the deplorable action of the Turkish Cypriot authorities and did not purport to deal with the whole problem of Cyprus. 'We all know that the present action by the Turkish Cypriot authorities is not the only wrong of one kind or another which has been done since the treaties were signed in 1960. The Council's responsibilities require it to address itself to the future.' Both communities had expressed support for the Secretary-General's mission of good offices and it remained just as necessary as before to make every effort to bring the two sides together. The best way to do this was through the activities of the Secretary-General and Britain had always given full support to his efforts to seek a solution within the framework of the mission of good offices given him by the Security Council.

Other Views

Addressing the Council on 17 November the Cypriot Foreign Minister, Mr George Iacovou, said that previous United Nations resolutions had laid down the elements of a just solution to the Cyprus problem, notably withdrawal of foreign forces; support for the sovereignty, independence and territorial integrity of the Republic of Cyprus and its right to exercise that sovereignty in all its territory; the return of refugees in safety; and respect for human rights. Partition had been the ultimate aim of the Turkish Cypriots who had withdrawn from the Government and could not act independently of Turkey since there were some 35,000 Turkish troops in northern Cyprus who intervened directly in internal affairs. The action of the Turkish Cypriots was a direct result of Turkey's use of force in 1974.

The Greek representative, Mr Yannis Haralambopoulos, said that the Turkish Cypriot action was a flagrant violation of international treaties and in breach of the Treaty of Guarantee. He urged members of the United Nations not to recognise the secession and emphasised the need for Turkey to withdraw its army from northern Cyprus.

The Turkish representative, Mr Coskum Kirca, said that the 1960 treaties had first been breached in 1963 when the Greek Cypriots had amended the protected articles of the constitution. The

Turkish forces in Cyprus were there to restore the state of affairs that Turkey had guaranteed and their presence did not make talks more difficult since it was the Greek Cypriots who were using delaying tactics and attempting to internationalise the issue. The only way to a solution was through negotiations under the Secretary-General's auspices and the Turkish Cypriots were ready to start again where these had broken off.

The Turkish Cypriot leader, Mr Denktash, told the Council that the Greek Cypriot attempt to destroy Turkish Cypriot partnership rights in 1963 had ensured that the Government established by the 1960 constitution had ceased to be legitimate, and the Turkish Cypriots owed it no allegiance. The Greek Cypriot claim that they still constituted the Government of Cyprus could not be supported. The Turkish Cypriots wanted a partnership state and peace could only come through negotiations.

Namibia

The British Government has reiterated its hope that the United Nations plan for Namibian independence will be put into effect as quickly as possible. The situation in Namibia and efforts to achieve the implementation of the settlement plan were debated by the United Nations Security Council in October.

On 28 October the Security Council adopted resolution 539 condemning South Africa's continued illegal occupation of Namibia and its obstruction of the implementation of the settlement plan set out in resolution 435 (1978), rejecting South Africa's insistence on linking the independence of Namibia to extraneous issues by demanding the withdrawal of Cuban troops from Angola, and calling on South Africa to inform the Secretary-General forthwith of its choice of electoral system to be used for the election of Namibia's constituent assembly. The resolution further requested a report from the Secretary-General by the end of December and stated that in the event of continued obstruction by South Africa, the Security Council would consider the adoption of appropriate measures under the United Nations Charter. The resolution was carried by 14 votes to nil, the United States abstaining.

British Statement

In a speech immediately before the vote, Britain's Permanent Representative at the United Nations, Sir John Thomson, said that a speedy implementation of the United Nations plan for Namibia would be good for the United Nations, for the people of Namibia, and for South Africa. Britain did not think that the problem was so very difficult. There were some points which it trusted all delegations supported and which Britain wholeheartedly endorsed. These were that the Secretary-General, on the basis of his mandate under resolution 532 (1983) (see pp 188-9), had taken matters to the point where virtually all outstanding issues had been resolved; that the implementation of the settlement plan was an urgent requirement; that the withdrawal of Cuban troops from Angola, which was a separate issue, should not be a precondition for it; and that there was no justification whatever for the presence in Angola of South African troops, which should be withdrawn at once. Britain also hoped that other delegations agreed that, despite its many other preoccupations, the Security Council had to keep the question of Namibia under active review. The progress made in seven years of persistent negotiations should not be undervalued. It was important that the Council's objective remained the peaceful implementation of an internationally accepted settlement in accordance with resolution 435 (1978) (see pp 350-2, 1978).

Acknowledging that it was far simpler to state the objective than to achieve it, Sir John said a chasm had existed which the Western Contact Group (see pp 188-9) had been seeking to bridge, and their efforts, together with those of the Secretary-General, had brought the Council close to achieving its objective. Although Britain took the view that the presence of foreign forces in Angola was a separate issue that was rightly not dealt with in a draft resolution on Namibia, its support for that resolution did not imply any weakening of its hope to see the departure of all such foreign forces.

The British Government, Sir John continued, was ready to play its part, as a member of the Contact Group and in the spirit of its close ties of friendship with the front-line states (Angola, Botswana, Mozambique, Tanzania, Zambia and, since 1980, Zimbabwe), in the major effort now called for by the Secretary-General to achieve early independence for Namibia. The burden placed upon the front-line states was of great concern to Britain, which would do all it could to assist through its bilateral relations and its support for the Southern African Development Co-ordination Conference (see p 372). Britain had, for instance, welcomed the President of Mozambique, Mr Samora Moises Machel, on a State visit to London in October during which an aid agreement was concluded (see pp 371-2), and had deplored the raid by South African forces into Mozambique immediately before the visit, just as it had opposed all other acts of violence in the region.

Turning to the draft resolution, Sir John said Britain was somewhat concerned at the burden the Security Council was placing on the Secretary-General in requesting him to report in such a short period, and also had reservations about the reference in the preamble to the use of Namibia as a 'springboard for attacks against and destabilisation of African states in the region'. However, while Britain did not interpret the draft resolution as prejudging decisions to be taken by the Security Council, the British Government was able, in the spirit of consensus, to support the resolution because it endorsed the approach followed by the Secretary-General, because it was consistent with

Britain's objective of securing the earliest possible implementation of resolution 435 (1978) and because Britain did not believe that Namibian independence should be delayed by matters outside the scope of resolution 435.

Concluding his statement, Sir John said Britain did not believe that the problems of southern Africa could or should be resolved by violence, and he earnestly hoped that all Security Council members would support the front-line states, the Contact Group and the parties directly concerned in the further major effort for peace for which the Secretary-General now called.

Falkland Islands

British sovereignty over the Falkland Islands and the Islanders' right to self-determination were reaffirmed by Britain's Permanent Representative to the United Nations, Sir John Thomson, during a United Nations General Assembly debate in November. The Government's commitment to the defence of the Islands was re-emphasised in a response made in October to a report from the House of Commons Defence Committee.

UNITED NATIONS DEBATE

Before the General Assembly was a draft resolution sponsored by Argentina and 19 other Latin American countries. This stated that the maintenance of colonial situations was incompatible with the United Nations ideal of universal peace, and expressed awareness of the international community's interest in the resumption of negotiations by the British and Argentine governments with a view to finding as soon as possible a peaceful and just solution to the sovereignty dispute concerning the Falklands. It reaffirmed the need for the parties to take due account of the interests of the population of the Falkland Islands, reiterated the request to both governments to resume negotiations in order to find a peaceful solution, and requested the Secretary-General to continue his renewed mission of good offices in order to assist the parties. The draft resolution, adopted on 16 November, received 87 votes and there were 54 abstentions. Britain and eight other countries voted against. All the other members of the European Community abstained and some two-thirds of Commonwealth countries declined to support the resolution.

British Statement

Speaking on 15 November, Sir John Thomson said that Britain had no doubt that the Falkland Islands were British and pointed out that the Islands had been uninhabited when first discovered by Britain. Many of the present inhabitants had no other home; six generations or more had lived there during the past 150 years during which the Islands were under continuous British occupation. The Falklands question was also one in which Britain had specific obligations towards the United Nations under Article 73 of the Charter[1] and its main importance was that it dealt with the rights of people, albeit a small number. 'The Charter of the United Nations does not prescribe that the rights it lays down are restricted only to populations of more than 5 million or 10 million or 20 million or any other number.' The British case was grounded firmly and squarely on the United Nations Charter and international law.

Argentina's Election

Sir John complimented the people of Argentina on their recent elections and the way in which they had been conducted.[2] As a result there was a reasonable prospect that in a few weeks time there would be a properly constituted democratic government in Argentina, a development that Britain welcomed. 'We believe that it will strengthen democracy throughout the hemisphere and indeed throughout the world for such an important country as Argentina to return to democratic paths.' While rather harsh things had been said about the Falkland Islands during and after the Argentine election campaign, Britain hoped that when a properly constituted democratic government was in power, it would look at things a bit differently. 'Above all, we hope that the people of Argentina who have just been able to decide who should govern them will recognise that the people of the Falklands should have the same right and privilege.'

The British Government, Sir John said, was both ready and eager for a return to normal relations with Argentina. Britain had been working for an early improvement in commercial and economic relations and would welcome a resumption of diplomatic relations. 'We hope that having thus re-created the basic foundations of good relations, we can build upon them and establish better understanding in other areas. We are ready, and have made efforts, to bring about such a normalisation of relations. When a new government is formed in Argentina we await its response to this offer with interest and, may I say, with hope.' The British Government could not, however, agree to negotiate on the sovereignty of the Falkland Islands. 'This is not a dispute about empty land. We cannot ignore people who live on it and whose ancestors lived on it. We cannot negotiate behind their backs or over their heads.'

Commenting that Britain had frequently urged negotiations in one international dispute after another in accordance with Article 33 of the

[1]This article states that those members of the United Nations having responsibility for the administration of territories whose peoples have not yet attained a full measure of self-government 'recognise the principle that the interests of the inhabitants of these territories are paramount, and accept as a sacred trust the obligation to promote to the utmost . . . the well-being of the inhabitants of these territories'.

[2]The Argentine elections, held on 30 October, were won by the Radical Party under the leadership of Dr Raul Alfonsin who became President-elect. Before the election Dr Alfonsin, addressing ambassadors accredited in Buenos Aires, said on 27 October that the Radical Party would pursue the recovery of the Falkland Islands and their integration into Argentine national territory. He stated that Britain was establishing a fortress on the Islands and that Argentina could never accept that any part of its territory should be used as a military base in this way. In addition Dr Alfonsin said that his government would not unilaterally declare a *de jure* cessation of hostilities.

United Nations Charter,[1] Sir John added: 'But what attention did Argentina pay to Article 33 last year when, despite the fact that both governments were engaged in a process of negotiation, they launched their surprise attack?' Although Britain's case was based firmly on the Charter and on international law, it did not accept that the Charter could be interpreted or quoted selectively.

Self-determination

Sir John pointed out that the draft resolution made no reference to the inalienable right of self-determination and recalled that in 1982 the Argentine foreign minister had made plain his view that this did not apply to the Falkland Islanders. This had been repeated by the Argentine foreign minister speaking in the present debate. Moreover Argentina had told the United Nations Fourth Committee on 14 November that the General Assembly had taken away the Islanders' right of self-determination and that this was a special and unique exception to an otherwise universal rule. When it had been pointed out that an 'inalienable' right was something that could not be taken away, the Argentine representative had stated that it was Britain that had taken this right from the Islanders. Sir John continued: 'These are very strange, even bizarre propositions. Does anyone seriously hold that the process of decolonisation involves a denial of the inalienable principle of self-determination? What the Argentine representative seems to have been referring to was a statement by the United Kingdom representative in the Committee of 24 in 1964 in which he warned his fellow delegates that the use of incautious phraseology in their draft resolution would not be reconcilable with the right of self-determination which the Falkland Islanders undoubtedly possess.' Repeating that warning, Sir John stressed that the Argentine delegation had said that it would interpret the votes of those supporting the draft resolution as a rejection of the application of the right of self-determination in what it called 'this special individual case'. Self-determination, however, was a principle of the United Nations and as such had general application.

Sir John drew the Assembly's attention to Article 73 of the Charter under which Britain had for some 30 years reported to the United Nations on a long list of British dependencies, most of which had been removed from it. 'They have exercised the right of self-determination and they are now either sitting here in this Assembly as sovereign and equal governments or they have chosen, by their own free will, to join up with neighbouring states. . . . What has been right for [them] is surely right for the others. The Falkland Islanders are as well able to exercise self-determination as other islanders in the Caribbean or the Pacific or elsewhere.'

The reference in the draft resolution to the interests of the Islanders was no substitute for the essential principle of self-determination. Although Argentina was willing to accept references to their interests, it reserved to itself the judgment of where those interests lay. This was quite inconsistent with the clear words of the Charter. 'Article 73 says plainly that the interests of the Islanders are "paramount" and also obliges the United Kingdom, as the administering power, to promote their well-being to the utmost and to develop their self-government. . . . It would be plainly contrary to the Charter for the interests of the Islanders to be left to Argentina to decide. It is the Islanders themselves who must be allowed to decide what their interests really are and it is accordingly by their wishes, not by anyone else's assessments of their interests, that we must be guided.' It was quite inconsistent with the United Nations idea of universal peace to deny self-government, to suppress self-determination or to hand peoples over to foreign rule against their will. Britain stood for the full Charter, not a truncated version, and the draft resolution omitted its most relevant parts.

Defence of the Islands

Recalling the Argentine invasion of 1982, Sir John said that at the time Britain had had no more than 42 military personnel on the Islands since it had been sufficiently confident that with negotiations under way Argentina would abide by the provisions of the Charter. Now Britain had to maintain about 100 times that number. 'It is not . . . a very large number in the circumstances. Indeed it is less than half the number of the Argentine army which occupied the Falklands.'

Sir John said that Britain was building a larger airfield in the Islands and that Argentina had sought to portray this and other defensive dispositions as a strategic military base. 'Such a description is manifestly untrue: the dispositions on the Islands are no more than is required to counter the perceived threat from Argentina.' Referring to the 1976 Shackleton report on the economic development of the Islands (see p 341, 1976), Sir John said: 'My Government have acted on the advice of this report that a new permanent airfield is required to enable the establishment of the regular civil air communications with the Islands which Lord Shackleton identified as an absolute priority. . . . Completion of the new airfield will give an essential boost to the Islands' economy. The long-term purpose of the airfield is therefore civil rather than military. We sincerely trust that the military aspect will never have to become actual.'

Answering the charge that the new airfield was part of a hidden British military collaboration with South Africa, Sir John said that the choice of Cape Town as a transit point for their civilian workforce had been decided by the contractors without British or South African government involvement. The decision related only to their civilian workforce and not to equipment or construction materials which would be transported direct from Britain. 'No military or service personnel will travel via Cape Town. There is no change in my Government's policy of non-collaboration in military matters with South Africa.'

[1]Article 33 states that the parties to any dispute, the continuance of which is likely to endanger the maintenance of international peace and security, should first of all 'seek a solution by negotiation, inquiry, mediation, conciliation, arbitration, judicial settlement, resort to regional agencies or arrangements, or other peaceful means of their own choice'.

On the Argentine accusation that Britain had breached the Treaty of Tlatelolco,[1] Sir John emphasised that the Government gave the Treaty its full support as a major and valuable piece of arms control legislation. 'We have scrupulously observed our obligations under protocols I and II of the Treaty, firstly in not deploying nuclear weapons in territories for which we are internationally responsible within the Treaty's zone of application and, secondly, in not deploying such weapons in the territories in which the Treaty is in force. We would like to see the Treaty of Tlatelolco in force in the entire region. To achieve this . . . all eligible states in the region must become parties to the Treaty including Argentina and Cuba.'

Sir John said that some reassurance would be provided if the new Argentine government would categorically declare a definitive cessation of hostilities. 'They must demonstrate convincingly that they have renounced the use of force as a means of settling this dispute. This is what the Charter requires. . . . Several delegations supported last year's resolution in the explicit hope that at least its reference to a *de facto* cessation of hostilities showed that Argentina was beginning to move on this essential point. They will have been disappointed that the year since then has shown only continual intransigence from Argentina's military regime.'

Conclusion

Concluding, Sir John reminded the General Assembly that the Argentine invasion of 1982 had taken place in flagrant violation of the Charter. 'While we were trying to settle the dispute by peaceful means the other side not only threatened but used force in a manner inconsistent with the purposes of the United Nations. We cannot forget that surprise attack. Nor that it proceeded in defiance of a mandatory Security Council resolution. . . . We had to rescue the Falkland Islanders through our own efforts of self-defence under Article 51 of the Charter.' There had been no excuse for the invasion, nobody had invited the Argentine army to occupy the Falklands, and none of the Islanders had cheered the army of occupation. Sir John asked the Assembly to remember that Britain was the aggrieved party and to support the whole of the Charter and not an emasculated selective version.

Argentine Views

The Argentine foreign minister, Señor Aguirre Lanari, speaking on 14 November, claimed that Argentina's legal and historical title to the Falkland Islands and their dependencies had been recognised in past General Assembly resolutions, notably that of 1965,[2] and said that Britain was seeking to annex a territory thousands of kilometres from London. The draft resolution stated the need to bear in mind the interests of the Islanders and provided a realistic and sensible basis for the resumption of negotiations. Failure to negotiate was a violation of a fundamental provision of the United Nations Charter.

Señor Lanari alleged that, instead of negotiating, Britain had erected artificial barriers to a negotiated solution by demanding a formal cessation of hostilities from Argentina which had made it clear that it would not use force to solve the problem. Britain had carried out a policy of provocation against Argentina since it was militarising the Islands and intending to prolong indefinitely the colonial situation there and to incorporate the Islands into a global strategic scheme. He also claimed that Britain had introduced nuclear weapons into the area in violation of the Treaty of Tlatelolco and that its military dispositions were disproportionate to any implied threat since Argentina had respected and would continue to respect the cessation of hostilities. Britain was also guilty of maintaining an illegal and arbitrary exclusion zone around the Falklands, the purpose of which was the illegitimate exploitation of marine resources.

DEFENDING THE ISLANDS

The future defence requirements of the Falkland Islands were the subject of a report by the House of Commons Defence Committee published in May.[1] The Government's response to the report was published in October.[2]

Defence Committee's Report

The Defence Committee's report said that the main thrust of the British defence effort had to be committed to the North Atlantic Treaty Organisation and that it was important that the commitment in the South Atlantic should not indefinitely absorb an unduly large part of scarce defence resources. None the less it was of vital importance that, in the absence of a diplomatic settlement, the Argentine Government was not allowed to assume again that the Islands were open to easy conquest. The Committee concluded that over the next few years the dispute with Argentina would remain as insoluble as ever, with diplomatic developments being unlikely to reduce the need to defend the Falklands for some time to come.

The Committee supported the need for a second airfield, which would make the defence of the Islands less burdensome to Britain, and believed that a failure to construct one would be interpreted as a sign of weakness, consequently reducing the prospect of negotiations. On the other hand, it hoped that, in creating the facilities

[1]The 1967 Treaty of Tlatelolco is designed to create a nuclear-weapon-free zone in Latin America. The Treaty is in force in 22 countries; Argentina has signed the Treaty but not ratified it. Britain was the first nuclear-weapon state to ratify the additional protocols to the Treaty, thereby agreeing to respect the status of the zone.

[2]In December 1965 the General Assembly approved a resolution inviting Britain and Argentina to hold discussions with a view to finding a peaceful solution to the problem, bearing in mind the interests of the Islanders.

[1]*The Future Defence of the Falkland Islands.* Third Report from the House of Commons Defence Committee, Session 1982-83. The volume includes the Committee's report together with the minutes of evidence. HMSO, £12·40. ISBN 0 10 215483 X.

[2]*The Future Defence of the Falkland Islands: Observations presented by the Secretary of State for Defence on the Third Report from the Defence Committee of the House of Commons.* Cmnd 9070. HMSO, £1·75. ISBN 0 10 190700 1.

for the garrison, the Government would make it clear that these were designed to meet current threats and that, should a diplomatic settlement be reached, it did not intend to maintain a military presence on the present scale. Other elements essential to the defence of the Falklands were the need for sufficient Royal Engineers field squadrons to help build the defence infrastructure at the required speed; the availability of helicopters; self-defence measures on vessels of the Royal Fleet Auxiliary and the merchant marine; and greater co-ordination between the military and civil authorities in the development of facilities.

Government Views

Noting that the Defence Committee's report shared its own view of the continuing threat posed by Argentina to the security of the Islands and the constraints which this was placing on Britain, the Government emphasised that an appropriate garrison to defend the Islands against Argentina's military threat would have to be maintained until such time as Argentina had renounced the use of force in pursuit of its claim to the Islands, and was seen genuinely to have done so. The Government objective was to maintain 'a garrison of the minimum size and cost compatible with its providing an effective deterrent and defensive capability'. Although the current mix of forces was adequate, it would continue to be reviewed 'in the light of our assessment of the threat and improvements in our own capability'.

NATO Commitment

British forces deployed in the South Atlantic, although not readily available for service in Europe or in the eastern Atlantic, would remain committed to the Alliance. Provision had been made within the defence programme announced in the Government's Public Expenditure Plans for 1983-84 to 1985-86 (see pp 59-63) for measures to minimise the loss in Britain's contribution to NATO, including the retention of four destroyers and frigates in the active fleet and the purchase of additional Phantom aircraft and Rapier air defence missile systems. In addition to equipment and improvements introduced for the forces involved in the Falklands campaign, further measures to enhance the mobility, flexibility and readiness of the armed forces were being planned in the light of the lessons learnt (see pp 7-12). The proposed airfield on the Falklands and the Tristar strategic tanker-freighter would greatly improve the ability to move forces rapidly between the European and South Atlantic theatres.

Strategic Airfield

Welcoming the views of the Defence Committee on the need to build a new airfield at Mount Pleasant (see pp 231-2), the Government said that this was needed because the Royal Air Force facilities at Stanley airfield were temporary and inadequate and because the secure defence of the Islands, together with their reinforcement in an emergency, depended on permanent and improved airfield facilities. The airfield would also be available for civil purposes, thereby making possible the long-haul civil flights identified by Lord Shackleton in his 1982 economic study (see pp 321-3, 1982) as necessary for the economic development of the Islands. The decision to build the airfield demonstrated Britain's commitment to safeguarding the future of the Islanders and it was hoped that Argentina would draw the right conclusions and that this would result in 'a policy characterised by peaceable intentions rather than belligerence and threats'.

Military and Civil Projects

The Defence Committee had underlined the importance of effective co-ordination of decisions by civil and military authorities in renewing and improving the infrastructure in the Islands. The Government said that this had been recognised at the outset, and there was a continuing dialogue in the Falklands and in Britain involving the Ministry of Defence, the Foreign and Commonwealth Office, the Overseas Development Administration and the Falkland Islands Government. Civilian capital spending decisions were taken in full consultation with the local administration and the Government reiterated its determination that discussions over cost sharing would not delay work. Other areas in which this dialogue would be of importance would be the provision of jetty facilities in Port Stanley, the development of medical facilities and the provision of local logistic support for the garrison by the civil community.

The Garrison

The Government re-emphasised that the size and composition of the garrison was regularly reviewed and could be adjusted in the light of changes in the Argentine threat or improvements in the British forces' capabilities. Improvements, inhand or planned, included the deployment of a number of patrol craft, to be completed in 1984; a strengthening of the helicopter force; the replacement of the makeshift air defence early warning system by an effective and fully integrated Falkland Islands Air Defence Ground Environment, with new radar stations and communications links; and the development of the local Falkland Islands Defence Force to help the garrison as guides and as an intelligence network. More than 100 volunteers had enrolled.

Noting the Committee's conclusions on defence measures in South Georgia, the South Sandwich Islands and Ascension Island, the Government expressed confidence that the garrison on South Georgia was equipped to withstand a direct Argentine attack until the arrival of reinforcements, and satisfaction with arrangements taken to safeguard all important installations and facilities on Ascension Island.

In conclusion, the Government stated that the Falklands garrison of ships, aircraft and land forces was designed to be of sufficient size to deter further Argentine aggression, its principal tasks being 'to protect the airfield at Port Stanley, to enforce the Protection Zone, and to be able to respond quickly to Argentine harassment or raids. It is the Government's intention that these tasks

should be performed at the minimum cost compatible with the provision of an effective deterrent and defensive capability.'

British Aid

Speaking at the Overseas Development Institute on 1 November, the Minister for Overseas Development, Mr Timothy Raison, described how the British aid programme is contributing to international efforts to help developing countries through the world recession and on to the road to recovery.

Effects of the World Recession

Mr Raison said that the impact of the recession on the developing countries, though by no means uniform, had been serious. Most had 'had to face stagnant or declining foreign exchange earnings, reduced inflows of external capital, and rising debt service requirements, exacerbated by the level of interest rates'. These had been directly responsible for the sharp import reductions they had had to make. In many countries, declining government revenues and shortages of external capital had led to the postponement or abandonment of investment plans and the slow-down of projects, and difficulties had been experienced even in financing the operation and maintenance of existing facilities. The problems already faced by the low-income countries of sub-Saharan Africa before 1979 had been exacerbated by a falling demand for their primary product exports, while drought had further contributed to the decline in their agricultural production. In contrast, the low-income countries in south and east Asia had on the whole adjusted less painfully, while the record of the newly industrialised and middle-income countries in Asia had been generally good. The middle-income oil importers of Latin America, experiencing falling world demand and prices for their primary products, had been particularly affected by rising real interest rates.

International Institutions

Against this background, said Mr Raison, a number of international meetings of importance for the developing world had taken place this year. These discussions, he believed, had 'contributed to the maintenance of a comparatively open world trading pattern, and to an awareness and identification of the real problems which confront developing countries'. Without the determination to continue this dialogue, the position of the developing world would almost certainly be more precarious than it was now.

Turning to the Bretton Woods financial institutions, Mr Raison said that although the world had changed since the late 1940s, they had proved remarkably resilient. Their collective impact was considerable, a fact which no national aid policy could ignore.

The World Bank for instance, played a major part in improving the quality and effectiveness of investment programmes and promoting policy change in developing countries. For the poorest countries, which most needed help, the International Development Association (IDA) assisted with national economic and sector assessments, related macro-economic and sectoral policy advice, and advised on issues such as institutional reform and investment programmes. Recipient countries had started to appreciate more the importance of policy reform, and the cumulative effect of all this activity was significant. It was part of the aid donors' task to support these efforts, both directly, through contributions to the IDA, and indirectly, by trying to ensure that bilateral assistance programmes were not pulling in opposite directions to the World Bank. Britain strongly supported the IDA and was contributing a further grant of £105 million for fiscal year 1984 in addition to its commitment of £555 million to the Sixth Replenishment (see p 288, 1982). While Britain understood the Bank's case for a target of $16,000 million for the Seventh Replenishment, and wished to see that replenishment start in July 1984, it believed that this was not attainable in the present circumstances when many donors were having to contain their public expenditure. Decisions by the major donor, the United States, were crucial. For its part, Britain stood ready to participate at a level which all donors collectively could afford, and intended to contribute a share more in line with its relative economic strength among IDA donors, in keeping with the principle of fair burden-sharing endorsed by donors earlier as the basis for contributions to the Seventh Replenishment.

The International Monetary Fund (IMF), said Mr Raison, also had a crucial role to play, and was currently providing financial support for programmes under stand-by and extended arrangements in 46 countries. The IMF also played an important role in assisting developing countries to undertake essential structural adjustments to their economies in order that their problems could be overcome. Since it had to have sufficient resources to discharge its task, the Fund's Interim Committee, chaired by the then Chancellor of the Exchequer, Sir Geoffrey Howe, had reached important decisions in February on the Eighth Quota Review which, together with the decision to enlarge the General Arrangements to Borrow, would double the Fund's usable resources. It was essential to bring the quota increase into effect on time. Meanwhile, the British Government was taking an active part in discussions in the IMF to ensure that its liquidity position was closely monitored and that adequate resources were made availble to it, both through official sources of finance and, if necessary, through market borrowing (see p 296).

Bilateral Aid

Noting that aid programmes had to cope with the present as well as building the future, the Minister urged bilateral donors to be flexible and to act in concert with such international institutions as the IMF. The shape of traditional bilateral aid programmes might need to be changed, and Britain

for its part had recognised the invaluable role that programme aid,[1] the provision of local costs, training and manpower aid could play in this respect.

There had been a shift in the emphasis of Britain's bilateral aid away from major new investments towards helping developing countries to tackle the shorter-term acute budgetary and balance of payments difficulties. For example, Britain had provided programme aid to Jamaica, to finance essential imports for the private sector; to Zambia, for both the private industrial and the agricultural sectors; to Bangladesh, in support of public sector programmes; and to Sudan, mainly in the form of agricultural chemicals for the Gezira board.[2]

Britain had also recognised that it was difficult or impossible for many countries to maintain existing investments, through lack either of funds or of the technical and organisational skills, and was, for example, following up major road projects in Nepal with the establishment of a road maintenance unit. There were good grounds for donors to develop a relationship with particular economic sectors in which they could expect to deploy their aid effectively. This applied particularly in areas where the supply of capital goods and raw materials went hand in hand with sound domestic policies and planned institutional development. The balance of individual country programmes could only be determined as a result of discussions and agreement with the recipient, and Britain had also to be aware of the activities of other donors. However, Britain had, for historical reasons, a well-justified reputation for its capacity to assist in such fields as tropical agriculture, tropical medicine, health and education, and engineering.

Manpower and Training

Noting the importance of manpower and training assistance, Mr Raison pointed out that many countries were experiencing great difficulties in managing their scarce resources and administering their public sector, and this had contributed to the deterioration in their economies. Britain, he said, had consistently given training a high priority, despite pressures on its bilateral aid programme, and sought to integrate it wherever possible into projects. As part of its response to the Overseas Student Trust's Report (see pp 101-2), Britain would be increasing the number of places available both through its country aid programmes and through the Commonwealth Scholarship and Fellowship Plan. The provision of manpower, including staff on contract to the local government with a salary supplement from the Overseas Development Administration, and technical co-operation officers fully paid for from aid funds, had declined in recent years. However, Britain now intended to give this more priority than hitherto, and in particular to support, possibly in co-operation with other donors, the efficient functioning of institutions and organisations in developing countries which were vital to their economic and social development. It was also necessary to develop further institutional links between British organisations and the overseas institutions, and to enlist the support of a wide range of employers, including other government departments, educational institutions and private sector organisations, in the effort to respond to the very real demand for such assistance.

Within the sectoral and institutional approach outlined above, Britain would continue to concentrate its bilateral resources on those poorest countries which had difficulties in attracting private capital flows, and to give priority to its Commonwealth partners. But it needed to be convinced that its aid would be used to good effect.

Conclusion

While aid had a crucial part to play in encouraging economic and social progress, Mr Raison emphasised that it was only one of the ways in which Britain assisted developing countries. Trade, private investment and bank lending were also essential, while the voluntary sector's approach could also be extremely effective in certain situations. There was, however, no doubt that although the mix of aid, trade and investment could be of inestimable value in assisting the developing countries to attain economic progress, there could be 'no realistic or sustained development in these countries without their governments' determination that this should take place. Sound domestic policies are essential if development is to be fostered.'

[1]The provision of temporary support for import-financing to assist countries with particularly acute balance of payments problems.

[2]Jamaica has received £12 million in programme aid since 1981, in the form of balance of payments support, as part of a three-year International Monetary Fund programme for economic recovery. A loan of £4·5 million was committed to Zambia in 1983, also in support of an IMF programme, for the purchase of British spares and raw materials. Programme aid to Bangladesh has been directed to a wide range of sectors including transport, agriculture, textiles and jute, a £10 million agreement having been signed in 1982 (see pp 394-5, 1982). Emergency balance of payments support totalling £5·25 million was committed to Sudan in 1982 for food aid, agrochemicals, the rehabilitation of an old power station, and vehicle spares.

Shorter Note

UNITED NATIONS VOLUNTARY FUNDS

At the annual United Nations Pledging Conference in New York on 8 November Britain pledged contributions to the voluntary funds of the United Nations system in 1984 totalling £38·4 million. This included £19 million for the United Nations Development Programme, the central funding and co-ordinating body for technical co-operation within the UN system; £6 million for the United Nations Children's Fund, which is concerned chiefly with mass health campaigns, maternal and child welfare, child nutrition and education; and £3 million for the United Nations Fund for Population Activities, which promotes awareness of, and research into, the relationship between popu-

lation and economic and social development, provides expert advice on population policy formulation, and supports family planning, education and training programmes. The United Nations Relief and Works Agency, which assists Palestinian refugees, will receive £5 million, and the United Nations High Commissioner for Refugees £3·4 million in cash and £2 million in food aid. Britain has also promised to give sympathetic consideration to any special appeals that these two agencies might make in 1984.

These voluntary contributions will be additional to the share of the budgets of the United Nations and its specialised agencies which Britain pays on a scale of assessment related to members' national income. In 1982 Britain's total contribution to United Nations development agencies and to technical co-operation activities by all United Nations agencies amounted to £55·8 million.

Source: Overseas Development Administration press notice, 9.11.83.

Autumn Economic Statement

Favourable prospects for inflation and economic growth were outlined by the Chancellor of the Exchequer, Mr Nigel Lawson, when he presented his autumn statement to the House of Commons on 17 November. With adherence to the Government's economic policies – which include firm control over public borrowing and expenditure – Britain is expected to continue on its recent path of low inflation accompanied by steady growth.

STATEMENT

The Chancellor was making the customary autumn announcement on the Government's plans for public expenditure and changes in National Insurance for the forthcoming financial year (*Hansard*, Vol 48, No 51, cols 995-1,009). He was also publishing the economic forecast for the next calendar year as required by the Industry Act 1975 (see p 487, 1975). These are brought together in a single document.[1]

Economic Developments

Mr Lawson said that, 'in response to firm monetary policies', the past year had seen falling inflation, renewed growth and 'solid evidence' of Britain's continuing recovery from the world recession. Progress on both inflation and growth in 1983 had been better than expected at the time of the Budget last March (see pp 130-1). Since the low point of the recession in early 1981 output had grown by about 5 per cent, the annual rate of inflation had fallen from double figures to around 5 per cent and there had been significant gains in productivity, competitiveness and profitability. Employment now appeared to be rising and unemployment to be levelling off. Output in 1983 was expected to be about 3 per cent higher than in 1982 while the Industry Act forecast pointed to continuing growth in 1984. Recovery in the rest of the world, which had so far been hesitant outside North America, was now widely expected to show some improvement.

With higher exports offsetting some slowing in the growth of domestic demand, overall output in Britain was forecast to rise by a further 3 per cent in 1984. Weak inflationary pressures were likely to bring the annual rate of inflation down to some 4-5 per cent by the fourth quarter of 1984.

Public Borrowing

Downward pressure would continue to be exerted on public borrowing. Despite the measures announced by the Chancellor on 7 July (see pp 233-4) the public sector borrowing requirement (PSBR) in 1983-84 was likely to exceed the £8,200 million expected at the time of the Budget. The outturn was, of course, still uncertain but was now forecast at £10,000 million, mainly as a result of higher than expected public expenditure. For 1984-85 the forecast made the conventional assumptions that direct taxes and excise duties would be raised in line with prices and that the PSBR would be held at the £8,000 million announced in the last Budget in accordance with the medium-term financial strategy (see p 113, 1980). On this basis, the forecast implied a net increase in taxes in the 1984 Budget. However, this was subject to a wide margin of uncertainty and would need to be reviewed, with other relevant factors, in the light of more current information when the Chancellor came to draw up his next Budget.

Public Expenditure

Following this year's public expenditure review, the public expenditure planning total for 1984-85 would remain £126,400 million, the provisional figure set in the public expenditure White Paper published in February (see p 59), broadly the same in real terms as the likely outturn in 1983-84. Therefore, with the economy expanding, public expenditure should continue to fall as a percentage of gross domestic product in 1984-85.

Within the unchanged total for 1984-85 there had inevitably been changes in both directions in individual programmes. Broadly, there was an increased allocation for, among other things, health and personal social services, education, law and order, agricultural support, and arts and libraries. Spending on social security would also increase although there would be reductions in help towards housing costs, particularly housing benefit. The social security programme provided for an uprating of benefits in November 1984 based on the rise in prices in the 12 months to May 1984. These increases would be offset by higher receipts from the sale of council houses and by a reduction in planned spending on defence, employment, trade and industry, and

[1] *Autumn Statement 1983*. HM Treasury. HMSO, £4. ISBN 0 10 211284 3.

several other programmes including the external financing limits of the nationalised industries. Net receipts from special sales of assets were forecast to increase by some £400 million, reflecting, among other things, the postponement of the privatisation of Enterprise Oil (the company set up to take over the British Gas Corporation's offshore oil business) from 1983-84 to 1984-85. The figure of £3,000 million provided in the February White Paper as a provisional contingency reserve (see p 59) remained intact.

Manpower

The Government was planning a continued steady reduction in the size of the Civil Service. Staff numbers would come down to 593,000 by 1988; this was 6 per cent below the existing target of 630,000 which the Government expected to be achieved by 1 April 1984.

National Insurance

National Insurance contribution rates (Class 1) for 1984-85 would remain unchanged at 9 per cent of earnings for employees and 10·45 per cent for employers. However, the lower weekly earnings limit for contributions would rise from £32·50 to £34 (in line with the single person's retirement pension) and the upper limit from £235 to £250 (broadly in line with the increase in prices and earnings). The taxpayers' contribution to the National Insurance Fund – the Treasury Supplement – would be reduced from 13 per cent to 11 per cent.

Conclusion

For the first time for many years Britain was 'enjoying low inflation combined with steady growth'. The task now was to keep this 'winning combination' by sticking to – and reinforcing – the policies that had brought it about.

PARLIAMENTARY DEBATE

Opposition Views

For the official Opposition, Mr Roy Hattersley said that, since the Government had taken office in 1979, there had been a fall in living standards and manufacturing output, accompanied by a rise in the tax bill and unemployment. Any signs of economic recovery were the result, not of long-term success, but of last spring's temporary reversal, for electoral reasons, of economic policy.

Mr Roy Jenkins, speaking for the Social Democratic Party, pointed to the low level of public investment. In such circumstances it made no sense to continue to drive down the PSBR.

For the Liberal Party, Mr Richard Wainwright accused the Chancellor of ignoring the pleas for increased capital spending, reduced energy costs, lower interest rates and a stable exchange rate, as well as the advice of a House of Lords Select Committee that Britain should join the exchange-rate mechanism of the European Monetary System.

Government Reply

Mr Lawson, in his reply to Mr Hattersley, said that the Government had cut income tax at all levels during the previous Parliament although it had been unable to lessen the total burden. 'Given the continuation of existing policies, we shall be able to reduce the overall burden of taxation during this Parliament's lifetime.' On unemployment, both sides of the House shared Mr Hattersley's hope that unemployment would fall; however, this was a matter not entirely within the Government's control.

Replying to Mr Jenkins, the Chancellor explained that, if the Government had not maintained firm control of the PSBR, interest rates would not have fallen to their lowest level in over five years. The total amount of investment – not just that in the public sector – was important. One reason for the Government's shift in emphasis was that it believed that housing was generally best left in the private sector rather than the public.

In response to Mr Wainwright, Mr Lawson said that he did not detect unanimous support in the House of Commons for full British membership of the European Monetary System. The matter was still under review (see p 408).

The Stock Exchange

The Restrictive Trade Practices (Stock Exchange) Bill, which seeks to exclude the Stock Exchange from the Restrictive Trade Practices Act 1976, was given a second reading in the House of Commons on 22 November. The Stock Exchange has agreed to certain changes in its regulations, which Parliament has now approved.

PARLIAMENTARY DEBATE

The second reading of the Bill was approved by 343 votes to 202, a government majority of 141.

Government View

Moving the second reading (*Hansard*, Vol 49, No 54, cols 184-262), the Secretary of State for Trade and Industry, Mr Norman Tebbit, said that the Stock Exchange[1] played a vital role in the activities of the City of London; because of its history, ability and enterprise, British companies obtained a greater proportion of their finance from this source than did companies in the rest of the European Community. The Stock Exchange also provided a large liquid market in which the Government could raise funds. 'The stability, the competence, the size and the integrity of our Stock Exchange all have attractions for overseas clients, which has made it a substantial foreign exchange earner. All this underlines the need to ensure that the Stock Exchange works effectively and in the interests of the buyers and sellers who use it as a market.'

Mr Tebbit felt that 'it is not merely desirable, but well-nigh essential, that [the Bill] should be enacted'. A case had been brought against the Stock Exchange (see p 275) by the Director

[1]For further information about the Stock Exchange, see COI reference paper *The Stock Exchange in Britain*, No 172/82.

General of Fair Trading in the Restrictive Practices Court under the Restrictive Trade Practices Act 1976 (see p 380, 1976). This had resulted in the Stock Exchange, for fear of prejudicing its case, being 'unable to change to meet the challenges of a changing world'. The Government had doubts whether the court was the right place in which to resolve the issues facing the Stock Exchange: as well as acting as a brake on change, there was a danger that legal proceedings might damage the effective operation of the Stock Exchange.

The Secretary of State went on to outline the provisions of the Bill. First, non-members of the Stock Exchange would, for the first time, be appointed to the council of the Stock Exchange. They would account for up to 25 per cent of the council and would be appointed by it, with the approval of the Governor of the Bank of England. At least five were to join the council by the end of December.

Secondly, a new membership appeals body was being established. This body would be able to review any decision by the council to reject an application for membership and, when the applicant met the requirements, to overrule the council's decision. The appeals body could include lay members of the council but not Stock Exchange members.

Thirdly, people who were not Stock Exchange members of the council would constitute a majority on the existing appeals committee on disciplinary matters.

'These changes will allow the influence of Stock Exchange users to be felt at the centre of policy-making in the exchange. They will also ensure that refusal of, or admission to, membership of the exchange is seen to be objective.'

A further change would enable non-members of the Stock Exchange to serve as non-executive directors of limited corporate members of the Stock Exchange subject to the majority of directors being Stock Exchange members.

The Stock Exchange had also agreed to phase out minimum scales of commission. They would be abolished on dealings in overseas securities by 1 April 1984 and on all dealings by the end of 1986.

Mr Tebbit told the House that single capacity (the separation of functions of brokers, who buy and sell securities, and jobbers, who make a market in securities by dealing with brokers) had proved 'a clear and well-understood way of protecting investors against unfair trading practices'. However, a widely-held view was that single capacity would not long survive the abolition of minimum scales. The Secretary of State would not stand in the way of the Stock Exchange if it decided to do away with single capacity. 'My interest is not in the ending or preservation of single capacity but in safeguards for investors. I should want adequate safeguards to be in place before any change from the single capacity system was made.' Investors would clearly demand adequate safeguards; if these were not provided on the London market they would take their custom elsewhere. 'I have no doubt that the Stock Exchange is well aware of the need to be ready whichever way the market develops.'

Mr Tebbit suggested that the likely changes in the security markets might lead to the establishment of far more extensive retail outlets, which would benefit the private client. This could do much to promote wider share ownership and ease the continuing remoteness of the small investor from the market.

Commending the Bill to the House, the Secretary of State said that the Government's objectives for the Stock Exchange were threefold: first, to ensure that it continued as an effective market in which industry, commerce and government could raise funds and where the Government could, from time to time, 'liberate state industries into ownership by the public'; secondly, to see that investors were properly served and protected; and, thirdly, to foster the City of London's contribution to invisible exports. Far from shielding the Stock Exchange from change, the proposed legislation freed it to respond to that need. 'Change, under the spur of international competition and the needs of users, is inevitable. . . . The purpose of the Bill is to expedite that change to ensure that it is governed by the needs of the market, and to ensure the continued eminence of the London Stock Exchange in the interests of investors and those seeking to raise finance and, above all, those of the country.'

Opposition Views

For the official Opposition, Mr Peter Shore accused the Government of altering course: its actions now proclaimed 'a complete reversal of government policy'. He felt that the proposed changes put forward by the Stock Exchange (see p 275) should have been submitted for examination to the Restrictive Practices Court. The Government had ignored the advice of the Office of Fair Trading and concluded a 'private deal with the Stock Exchange council, which the weight of informed opinion has judged to be both inadequate and incapable of survival'. There was a need for a new regulatory system; regulation could not be left to the council with monitoring by the Department of Trade and Industry and the Bank of England. The Opposition, which believed that 'the searching inquiry of the Restrictive Practices Court should be allowed to proceed', therefore urged that the Bill be rejected.

Speaking for the Liberal Party, Mr Paddy Ashdown said that the Government was guilty of double standards: it was prepared to bring competition policy into effect in relation to the National Health Service and British Telecom but not for the stock market. Also, while legislating against restrictive practices in trade unions, it was preserving them in the Stock Exchange.

Mr Ian Wrigglesworth, for the Social Democratic Party, expressed the view that the case should have gone before the Restrictive Practices Court. He also felt that it was vital for British industry and the country's overseas earnings that the Stock Exchange was 'dynamic and successful'.

Government Reply

Winding up for the Government, the Under-Secretary of State for Trade and Industry, Mr Alexander Fletcher, explained that the Government's

'robust approach to competition policy' lay at the heart of its decision. 'Competition is not just something that our manufacturing industry has to face at home and abroad. Our financial institutions in the City and elsewhere and our professions . . . must also feel the wind of change and the stimulus of competition if they are to make their full contribution to this country's economic performance.' By exempting the Stock Exchange from legislation the Government was recognising its 'unique position as the sole provider of an active open market in all types of securities and the vital part that it plays in London's role as a world financial centre'.

Trade Union Bill

The Trade Union Bill, which was given a second reading in the House of Commons on 8 November, provides for elections to certain posts in trade unions and for ballots to be held before strikes or other forms of industrial action. The Bill also amends the law relating to expenditure by trade unions and employers' associations on political objectives.

The Bill would place a duty on trade unions to ensure that all voting members of the principal executive committee of the union were elected by secret ballot at least once every five years. It specifies the requirements which would have to be satisfied in relation to the elections and would provide a right of complaint to the courts for members when a union failed to comply. The Bill would also remove immunity from civil (legal) action from trade unions which called a strike (or invoked other industrial action which put those taking part in breach of their contracts of employment) without first holding a secret ballot of the members concerned.

Trade unions which have adopted resolutions under the provisions of the Trade Union Act 1913 to enable them to spend money in furtherance of political objectives would be required to have new resolutions passed by a ballot of their members at least every ten years if they wished to continue to do so; the rules for the ballot would have to be approved by the Certification Officer for Trade Unions and Employers' Associations. The Bill would provide that no assets of a trade union other than those of the political fund could be used for political purposes. A new definition is proposed of the political objectives for which a union's political fund might be used to cover activities such as the making of films and elections to the European Parliament. These provisions would, with necessary modification, also be applied to employers' associations. Any increased expenditure arising from the Bill on secret ballots carried out in accordance with the Employment Act 1980 (see p 21, 1980) would be paid out of government funds.

House of Commons Debate

Government View and Provisions of the Bill

The Bill received its second reading by 362 votes to 189, a government majority of 173. Introducing the debate (*Hansard*, Vol 48, No 44, cols 157-244), the Secretary of State for Employment, Mr Tom King, said that the Bill was 'concerned to establish a proper relationship between trade unions and their members and particularly to ensure that members in unions have a real say in the two key areas of who shall lead them and whether they take industrial action.' He pointed out that the Employment Act 1980 had made public money available to finance postal ballots both for elections and for strikes and industrial action. In 1981 the then Secretary of State for Employment had offered to help the trade unions in any way they might suggest to reform their constitutions and procedures. Both offers had been ignored by the trade union movement, and it had refused even to discuss these questions before and after the consultation paper (see pp 266-7) had been published. It could not, therefore, complain if the Government had proceeded without its advice to ensure the democratic rights of union members, which the procedures of far too many unions still did not ensure.

It was still the case that most union leaders were elected by votes cast, often by a show of hands, at branch meetings held away from the workplace, despite evidence that branch meetings were rarely attended by more than 7 per cent of members on average. Some of the largest trade unions were still using the block vote system of election (see p 267) regardless of indications that it distorted the result of elections and concealed the fact that only a tiny percentage of members actually turned up to vote. Only two major unions in the Trades Union Congress had adopted fully postal ballots for the election of their leaders, even though postal ballots, like workplace ballots, meant a substantial increase in the number of members who voted. Most unions refused to hold secret ballots before strikes and 'rely on rowdy open-air meetings which are a travesty of democracy'. Some unions were still using the coercive power of the closed shop to force their members to strike without any consultation.

Although there was no parallel for the Bill in the legislation of other countries, Mr King pointed out that 'no other trade union movement has grown up behind such a wall of virtually total legal immunity and . . . the closed shop is unlawful throughout most of Western Europe and much of North America'. The lesson from those countries was that 'trade unions have a more secure and respected place in society if they recruit members by the quality of the service that they offer rather than by industrial conscription and if they are seen to be democratic institutions responsive to the needs and wishes of their members'.

There was nothing in the Bill, the Secretary of State pointed out, that had not already been done by one union or another. He suggested that if some trade unions could follow proper democratic procedures, they could all do so. The purpose of the Bill was to extend the existing rights of trade

union members and the remedies already available to them.

Part I of the Bill provided that all the voting members of the governing body of a trade union would have to be elected by a secret ballot of all members. It was in the elections to this body, defined as the principal executive committee (which governed the union from day to day and was usually responsible for actions such as the calling of strikes) that the need for democratic accountability was greatest. The president and general secretary of each union would be subject to the same electoral requirement if they had a vote or a casting vote on the executive. The ballot would have to be secret and every member entitled to vote would have to have an opportunity to do so at a convenient time and place and without having to incur direct personal cost; in practice, this would normally be in the workplace or by post. The block vote and voting by a show of hands at branch meetings would not satisfy the requirements of the Bill.

Although postal ballots were not always the best means of ensuring maximum participation in elections, Mr King expressed the hope that unions would, whenever possible, make use of them, and the money provided under the Employment Act 1980 to meet the cost of such ballots would continue to be available. The most important need was 'to ensure that every trade unionist has a genuine and equal opportunity to vote and to do so in secret, thus ending what amounts to the disfranchisement of the majority'.

Part II of the Bill effectively gave trade unions a choice between balloting their members before calling them out on strike and keeping the immunity that the law allowed, or of calling a strike without a ballot and forfeiting their immunity. The minimum obligation for the privilege of immunity from civil proceedings – 'unique in English law' – was to ensure that unions had consulted their members before calling on them to risk their own livelihood and that of their friends and colleagues by going on strike. There could never be any justification for a trade union compelling its members to strike against their will under the threat of withdrawing their union membership cards and effectively throwing them out of their jobs. The provisions would cover all official industrial action, not just a strike which was in breach of contract, including any action which trade unions or their paid officials were seen to be supporting. Some had suggested, Mr King said, 'that the effect of this provision could be to encourage unofficial action. On the contrary, I think it will cause organisers of unofficial action to think twice. They will know that their union will be reluctant to give official blessing to a strike which was started unofficially, because to do so without holding a ballot would cost the union its immunity.'

Part III of the Bill dealt with the rights of members in trade unions which engaged in political activities. There was nothing in the Bill to prevent a union from continuing to engage in political activity if that were the wish of the majority of its members. The Bill was concerned not with the political activities of trade unions as such or with the role trade unions might or might not play in a particular party, but with the rights of individual members in trade unions which decided to raise from them a political levy and spend it on political purposes.

In a considerable number of unions there had been no ballot since the original one to affiliate to a political party following the Trade Union Act 1913. That meant that in many unions no current member had ever had the opportunity to vote for the political fund. The Bill provided that unions with political funds had to consult their members in a secret ballot at least once every ten years to see if the members wanted the political fund to continue. The Bill did not deal with the rights of individual trade union members not to pay the political levy, but there had been increasing worry about the difficulties experienced by some union members when they tried to exercise that right and Mr King said that, depending on the outcome of discussions he was having with the Trades Union Congress, he reserved the right to table suitable amendments to the Bill later.

Opposition Views

The Labour Party spokesman on employment, Mr John Smith, said that the Bill restricted the power of trade unions to defend and advance their members' interests by imposing an arbitrary and inflexible ballot. Members of a trade union who took part in an unofficial strike would have legal immunity from civil action if they were acting in a trade dispute, while a trade union which acted officially would lose immunity if a ballot as prescribed by the Bill were not held; the processes of the inflexible ballot would encourage unofficial action more widely than ever before. The British trade union movement had developed a wide diversity of representative arrangements, which was a source of strength rather than weakness. Accountability to the membership of trade unions was not only to be reckoned in terms of the methods of the election of its ruling executive, but included annual or biennial conferences, rules revision conferences, regional conferences and branch and workplace meetings. The Government was 'concerned not to advance the rights of individual members of unions, but to weaken unions in their dealings with employers'.

For the Liberal Party, Mr David Penhaligon, spokesman on employment, said that the Bill would produce no diminution in the 'them and us' attitude in industry. He supported the clause compelling secret ballots for the election of trade union leaders, and he accepted that protection was necessary for union members who did not wish to pay the political levy. He questioned whether the removal of immunity from official strikes where there had not been a ballot would work in practice, and thought it would make unofficial strikes more likely. Despite these fears his party would support the second reading of the Bill.

For the Social Democratic Party, Mr Ian Wrigglesworth said that his party would support the Bill, despite reservations on some of the details. The proposed system for reforming payment of the political levy was 'one-sided' and the proposals on balloting before industrial action were in

danger of encouraging unofficial action. His party supported the principle of one member one vote in the trade unions, and that was one of the major reasons why it would be supporting the measure.

Employee Participation

The Government has published a consultative document seeking views on proposals from the European Commission on employee participation and company law.

In a consultative document published on 9 November,[1] the Government is seeking the views of industry, commerce, the professions and trade unions on European Commission proposals on employee participation and company law harmonisation. The document contains the European Commission's revised proposals on the Draft Directive on Procedures for Informing and Consulting Employees (the 'Vredeling' directive[2]) and the draft Fifth Directive on the Harmonisation of Company Law. The revised proposals were published earlier in 1983 by the European Commission and examination of them has now begun in Brussels by officials from member states. Although the Government recognises the anxieties of industry and commerce in Britain and has strong objections in principle to the texts of the directives, it is inviting comments to ensure that the views of British interests are fully represented during forthcoming negotiations.

Employee Involvement

The proposals on employee involvement would apply to organisations employing 1,000 or more workers within the European Community. Employees' representatives would have to be given, once a year, substantial general information on the group as a whole and specific information on their own subsidiary or establishment, although certain business secrets could be withheld. Management would also have to inform employees' representatives before decisions liable to have 'serious consequences' for employees' interests were taken, and consult them 30 days before these decisions were implemented. If management did not fulfil the consultation requirements, employees' representatives could appeal to a tribunal or other competent national authority to compel it to do so. This authority could also impose penalties on management for failure to comply with both the information and consultation provisions, and would have the power to settle disputes over the secrecy provisions. The appointment of employees' representatives would be left to the laws or practice of member states; British law provides that representatives should be the representatives of independent recognised trade unions. The draft directive provides that member states might also allow employers to inform and consult their employees directly.

Company Law

The revised draft directive on company law harmonisation proposes employee participation for employees of public limited companies with 1,000 or more employees through one of the following methods: worker-directors (either elected or co-opted on to the supervisory board of a company with a two-tier board structure, or elected as 'non-executive' directors of companies with a single-tier board structure); a works council; or a system established by collective agreement. Except where worker-directors were co-opted on to a supervisory board, all employees' representatives would be elected by proportional representation through a secret ballot of all employees. The alternative participation systems are intended to be equivalent in effect, and worker-directors would have rights to the same information as that supplied to other board members, as would representatives of employees in other methods of participation. There would be an overlap in employee participation between the two directives because some companies would have to comply with both of them.

The draft directive on company law would also require companies, irrespective of board structure, to distinguish between directors who manage and those who supervise the managers; for example, on the one-tier board universal in Britain 'non-executive' directors would supervise the activities of executive directors. The directive would also require member states which do not at present provide for two-tier boards to make them available. The draft directive contains 50 other articles dealing with the harmonisation of laws on directors' duties and their enforcement, the conduct and powers of the general meeting, and the functions and liability of auditors, most of which would require changes to British law.

Government View

Commenting on the draft directives, the Secretary of State for Employment, Mr Tom King, described the suggested procedures as 'rigid' and said that, instead of strengthening trade links between member states, 'these directives look likely to reduce the competitiveness of industry in the Community'. The Government welcomed moves to promote the involvement of employees in the enterprises for which they worked, but believed that 'the main initiative is best left to employers and employees, who are in the best position to judge what best suits their particular circumstances. European Community law in this field would be cumbersome, would increase costs for employers and would harm industrial relations by disrupting the many flexible and effective arrangements which have evolved in the UK voluntarily.' The draft 'Vredeling' directive had aroused much concern from business interests not only within the European Community but from other countries, especially the United States and Japan. The Government, Mr King said, 'believes that if these proposals were to become law they could discourage investment in the Community'. The Commis-

[1]Obtainable free from the Department of Employment, Caxton House, Tothill Street, London SW1H 9NF.

[2]Named after Mr Henk Vredeling, European Commissioner for Employment and Social Affairs 1977-81.

sion had produced no evidence that voluntary guidelines from the Organisation for Economic Co-operation and Development and the International Labour Organisation on informing and consulting employees were not working satisfactorily. There was evidence of significant growth in recent years of employee involvement under the voluntary approach preferred by Britain, and the Commission had not attempted to show why this approach should now be discarded.

Review of Tourism Policy

The Government has announced new arrangements for co-ordination of the four statutory tourist boards in Great Britain. In particular the British Tourist Authority and the English Tourist Board are to be brought closer together and will have a common chairman. Other proposals for improving tourism generally are being implemented or discussed.

Introducing a statement to the House of Commons on 22 November on a review of tourism policy instituted in 1982 (*Hansard*, Vol 49, No 54, cols 167-8), the Minister of State for Industry, Mr Norman Lamont, said that tourism was undoubtedly one of Britain's most important industries. Its turnover in 1982 of £8,500 million almost matched that of the motor industry, and it employed around one million people. The Government recognised the great economic and employment potential of tourism and was determined to encourage the industry's development. The review had concentrated primarily on the relationships between the four statutory tourist bodies, but had also produced many proposals for improving tourism generally. These were detailed in a paper produced by the Department of Trade and Industry (see below).

The Statutory Tourist Boards

The statutory tourist boards[1] were the Government's main instrument for encouraging tourism, said Mr Lamont. In order to improve their co-ordination, the Government was inviting the British Tourist Authority (BTA) to transfer its remaining activities in Britain to the national boards, so that it could concentrate on promoting Britain overseas. The Government was also asking the BTA and the English Tourist Board (ETB) to seek shared accommodation, to merge certain services, and in consultation with the Scottish Tourist Board and the Wales Tourist Board to eliminate duplication in their publication programmes.

The review had also shown that a revised approach was needed in planning the BTA's overseas promotions so that full account was taken of the requirements of England, Scotland and Wales in the main marketing programme. The Secretary of State for Wales had already announced improvements agreed with the BTA for the promotion of Wales overseas, and a Bill before the House of Lords proposed amendments to the Development of Tourism Act aimed at allowing limited overseas promotion by the Scottish Tourist Board.

The Government believed that rationalisation of BTA and ETB activities would best occur under a single chairman. It would therefore ask the next chairman of the BTA (Mr Duncan Bluck, who is due to take up his appointment in April 1984) to serve also as chairman of the ETB when the current holder's term of office ended. Mr Bluck would examine further possibilities for collaboration between the two bodies and the possibility of their merger. The current ETB chairman, Sir Henry Marking, would meanwhile help to bring the two boards together and was additionally being asked to report on whether the 12 non-statutory regional tourism boards in England could take on additional responsibilities, particularly in marketing.

The Government placed great importance on attracting private finance to tourism, said Mr Lamont. He was pleased to be able to announce that the ETB had been instrumental in setting up a new equity fund for tourism, financed by the private sector, but with access to advice from the tourism boards. An announcement on the fund might be expected in January 1984. In the meantime grants for the development of tourism facilities in England would be maintained at about the current level of expenditure over the four years to 1986-87, giving a total of some £35 million for the period. However, the main task of realising tourism's potential for growth rested with the industry itself.

Responding to parliamentary questions, Mr Lamont said that it was because a degree of overlap had arisen between the activities of the BTA and the ETB that it had been decided to provide them with a common chairman and to confine the BTA's activities to overseas promotion. Asked whether it was the purpose of the rationalisation to centre tourism resources in London, Mr Lamont said it had to be recognised that a large proportion of tourists coming to Britain came to London, and a large proportion of those going elsewhere in Britain came to London first.

Paper: Review of Tourism Policy

During his statement Mr Lamont announced that he was making available a paper dealing with proposals for improving tourism generally which had emerged in the course of the review. Entitled *Review of Tourism Policy: Proposals for Improving UK Tourism*, the paper suggests a number of ideas for action by the tourist boards and other bodies. In particular the paper notes that previous policies have led to the underselling of London overseas. It is, however, Britain's biggest single tourist attraction and its success is vital not only for Londoners but for the rest of Britain. The BTA and ETB are being asked to pay special attention to

[1]The Development of Tourism Act 1969 established four independent but government-financed bodies – the British Tourist Authority, responsible for the overseas promotion of tourism in Britain, and with a general responsibility for tourism within Great Britain; and the English, Scottish and Wales Tourist Boards, responsible for encouraging (both financially and otherwise) the development and improvement of tourism facilities in their respective countries and for tourism publicity work within them.

the future promotion of the city. Other proposals are that the ETB should encourage resorts to draw up schemes for investments in modern facilities, and should work with other bodies to identify inner city areas with tourism potential. Attention is also to be given to the development of Britain's historic railway stations as tourist attractions, to the adequacy of the signposting of tourist sites, to the strengthening of the ETB's scheme of voluntary registration for hotels to make it a more effective weapon against inadequate standards, to careers guidance and training in tourism, and to the use of viewdata technology in computerised booking systems. Topics to be considered by other government departments are: Sunday trading, tax incentives, licensing laws, the opening hours of museums and other attractions, and the impression given to overseas visitors at major sea and airports.

Tourist Board Strategy Documents

In May the English and Wales Tourist Boards both produced statements of their strategies for the foreseeable future.[1] *Tourism and Leisure: The New Horizon* sets out various ways in which the ETB aims to stimulate the provision of tourism facilities. It is based on the expectation that growth in tourism will occur in certain areas (short holidays and day trips by British residents, the business and conference markets, overseas business visitors, and, to a lesser extent, other overseas visitors) but that the market for long holidays taken by British residents in England is not likely to grow. Existing resources can be improved by the provision of better amenities and attention to reducing operator costs through better management and marketing, the ETB says; the development of completely new resources will need careful evaluation. Specific strategies for existing resorts include: the provision of competitively priced hotel accommodation; the development of all-year holiday centres, especially with indoor sports and entertainments; the provision of budget accommodation (camp sites and hostels) for the youth market; the development of specialist health and recreation centres; and the provision of better facilities, better marketing and 'interpretative' centres for attractions forming part of Britain's historic heritage. For new leisure developments, the ETB sees scope for stimulating attractions based on aspects of the country's historic, cultural and economic heritage; for 'theme' parks, offering a wide range of entertainments; and for wet-weather attractions, especially for children. The document also emphasises the importance of infrastructural improvements, and provides suggestions for future developments according to location, whether in cities or towns, the countryside, seaside resorts, historic towns and cities or in London.

The Wales Tourist Board aims to increase tourism revenue by 2 per cent a year and achieve a growth in employment in tourism of at least a thousand jobs a year. Particular emphasis is laid on attracting more overseas visitors: Wales has 12 per cent of the domestic tourism market, but only 3 per cent of the overseas visitors market in Britain. Attention will be concentrated on improving facilities and, specifically, tackling the shortage of large hotels, marketing the south Wales valleys as a tourism region, exploiting the country's water amenities, upgrading existing resorts through special schemes, encouraging the market for day visitors, and widening the base of rural tourism.

[1] *Tourism and Leisure: The New Horizon* is available, price £5, from the English Tourist Board, 4 Grosvenor Gardens, London SW1W 0DU. *Tourism in Wales: Strategy for Growth* is available, free, from the Wales Tourist Board, Brunel House, 2 Fitzalan Street, Cardiff CF2 1UY.

Space Developments

Recent developments in space activities include the first flight of the European-built Spacelab (a major event in the history of manned spaceflight), the discovery of a large number of new infra-red sources by the Infrared Astronomical Satellite, and the signing of agreements under which British scientists will participate with the Federal Republic of Germany and the United States in two new space missions.

Spacelab

The European space laboratory Spacelab was launched aboard the United States Space Shuttle *Columbia* on 28 November and was in orbit for ten days, before returning successfully to earth on 8 December. It is part of the joint Spacelab programme of the European Space Agency and the United States National Aeronautics and Space Administration. Ten participating Western European nations – Austria, Belgium, Britain, Denmark, France, the Federal Republic of Germany, Italy, the Netherlands, Spain and Switzerland – have funded, designed and built the Spacelab craft as a joint European programme at a cost so far of some $1,000 million, Britain's contribution being about 7 per cent. The spacecraft consists of a manned module (assembled in the Federal Republic of Germany), together with a 'pallet' (an open instrument platform alongside the craft containing equipment directly exposed to space) designed and manufactured in Britain by British Aerospace. About 70 experiments were carried out on a wide range of subjects, including materials and technology sciences, atmospheric physics, earth observations, plasma physics, astronomy and solar physics, and life sciences. A number were British, including an experiment designed by Stirling University to test the ability of the crew to differentiate mass in weightless conditions by distinguishing the relative mass of steel balls; one by the Mullard Space Science Laboratory of University College London on X-ray astronomy; an experiment by the Fulmer Research Institute for aluminium-lead alloy production; tests by the Medical Research Council's Clinical Research Centre, under which a battery-powered recorder was worn by a crew member to monitor the heart, the brain and eye movements; and fluid physics experiments designed by Bristol University and by Kodak of Harrow.

Infrared Astronomical Satellite

Many new phenomena in the universe, including unexplained celestial objects and rings of dust within the solar system, have been discovered in data from the Infrared Astronomical Satellite, launched in January 1983 (see p 114) with the aim of performing the first complete survey of the sky to search for objects emitting infra-red radiation. The satellite has a telescope equipped with solid-state detectors kept at an extremely low temperature (to maintain a high degree of sensitivity to infra-red radiation) by a limited supply of super-cooled liquid helium – the supply has recently been exhausted. It is a joint project: the spacecraft was built in the Netherlands, the telescope and the launch vehicle were provided by the United States, while control of the satellite and receipt of the data were the responsibility of the Science and Engineering Research Council's Rutherford Appleton Laboratory at Chilton (Oxfordshire).

The orbiting telescope detected over 200,000 infra-red sources. These included a number of unidentified cold astronomical objects which could not be correlated with known sources, and there was no evidence that they had been detected previously in any other sky survey. The satellite has discovered five new comets (which are believed to be composed mainly of ice, mixed with dust and rocks), and a new object which may eventually turn out to be a sixth comet; it has also detected extensive envelopes of dust around comets not previously known to be dusty, and observed a long trail of debris from an existing known comet. Other discoveries include three narrow, continuous rings of dust within the solar system, the existence in much of interstellar space of wispy clouds of dust termed 'infra-red cirrus', and numerous small clouds of molecular gas and dust that are sites of formation for stars like the sun, while observations revealed many infra-red-emitting galaxies which were visually inconspicuous in the most sensitive photographic atlases.

New Space Missions

Agreements have been signed under which British scientists will participate with scientists from the Federal Republic of Germany and the United States in two space missions. The first mission, known as AMPTE (Active Magnetospheric Particle Tracer Explorers), will study space plasma physics, investigating how solar energy, carried by the solar wind, is intercepted and stored in the magnetic fields as charged particles that form the earth's radiation belts and the other parts of the comet-shaped magnetosphere surrounding the earth out to distances of over 100,000 km (62,000 miles). The AMPTE mission consists of three spacecraft which it is planned to launch on a single Thor Delta rocket in August 1984. The small British spacecraft, known as the UKS, is being built in a collaborative effort between the Science and Engineering Research Council's Rutherford Appleton Laboratory and the Mullard Space Science Laboratory of University College London. It will be a sub-satellite of the German spacecraft which it will track in tandem along the same orbit. Other British groups taking part in the experiments are Imperial College, London, and the University of Sheffield and the British Antarctic Survey with support from the Universities of Surrey and Sussex.

The second agreement concerns the Federal Republic of Germany's Röntgensatellit (ROSAT) which will carry a German 0·8-m (2·6-ft) X-ray telescope and a British wide field camera, a novel design of telescope optimised for the soft X-ray/extreme ultraviolet band (the last 'unexplored' region of the spectrum). The wide field camera is being developed by a consortium of British research groups led by the X-ray Astronomy group at Leicester University and including Birmingham University, Imperial College, London, the Mullard Space Science Laboratory and the Rutherford Appleton Laboratory. The mission will have two main objectives: an all-sky survey during the initial six months in orbit and a second phase, lasting up to two and a half years, allowing for detailed observations of individual X-ray sources and source fields using the accurate pointing capability of the spacecraft. ROSAT is due to be launched on the Space Shuttle in 1987. It will probably be the only large X-ray telescope in operation in the second half of the 1980s and its data are expected to have a major impact on astronomy well into the 1990s.

Shorter Note

CONSUMER CREDIT

The Under-Secretary of State for Corporate and Consumer Affairs, Mr Alexander Fletcher, announced on 3 November that he had taken the necessary steps (by means of Regulations and Orders) to implement the remaining major provisions of the Consumer Credit Act (see pp 176–7, 1974). Mr Fletcher felt that the new provisions would benefit both consumers and traders – a careful balance had been struck between consumer protection and the need to limit the burdens on the credit industry. Among the important areas covered by the provisions, which would come into force in May 1985, were the right to cancel credit or hire agreements signed in the consumer's home and the right to a rebate of charges on agreements settled early. A period of some 18 months was being granted to the credit industry to allow it to prepare for the changes required in procedures.

With the implementation of the new provisions would also come detailed requirements about how agreements must be drawn up and what information must be given to the consumer. If traders failed to comply with these requirements, they would not be able to enforce the agreement against the consumer without the sanction of a court. Agreements would have to contain notices telling consumers about this protection and about their other rights.

Mr Fletcher had already announced, on 25 October, that he proposed to increase the lower

limit at which point creditors and suppliers became liable for misrepresentation or breach of contract from a cash price of £30 to £100; the upper limit would be raised from £10,000 to £30,000. In addition, the 'small agreements' limit, below which certain agreements were excluded from some provisions of the Act, would be increased from £30 to £50; the upper limit that determined which consumer credit and hire agreements were regulated by the Act would be raised from £5,000 to £15,000. The new monetary limits would come into operation on 1 January 1984.

Sources: *Hansard*, Vol 47, No 41, written answers, cols 438-9; Vol 47, No 34, written answers, col 72.

SOCIAL AND CULTURAL AFFAIRS

Police and People in London

Relations between the police and the community in London are the subject of a major study undertaken by the Policy Studies Institute, an independent research organisation, at the invitation of the Metropolitan Police. In their report[1] published on 18 November the authors acknowledge that the need for change is recognised within the Metropolitan Police and that initiatives are already being taken in directions suggested by their findings. The report has been welcomed by the Commissioner of the Metropolitan Police who explained in a statement how the report will be used by the force to assist in the process of change and development.

In the autumn of 1979, the then Commissioner of the Metropolitan Police, Sir David McNee, invited the Policy Studies Institute to put forward proposals for a wide-ranging study of 'the relations between the Metropolitan Police and the community it serves'. The resulting research programme was jointly funded by the Metropolitan Police and the City Parochial Foundation. The findings are based on four related studies: a survey of 2,420 Londoners, including substantial samples of people of Asian and West Indian origin; participant observation of a group of young black people based on a self-help hostel; a survey of 1,770 officers in the Metropolitan Police Force up to the rank of inspector; and a two-year study of police work by observation, informal interviews and access to internal documents.

Findings of the Report

Among the main findings are the following. Safety of the streets at night was a major worry for a large proportion of Londoners; a majority believed that street robberies, burglary and vandalism were becoming more common, and both white and black people gave a high priority to combating racial attacks. Only 14 per cent of encounters between police and public were connected with an offence or suspected offence, but for West Indian men aged 15 to 24 the proportion was nearly two-thirds, while it was one-third for white men in the same age group. At least as high a proportion of West Indians as of white people were victims of theft from the person, and the majority of both white and black victims were satisfied with the way the police dealt with the matter. Officers varied widely, however, in their ability to provide help, advice, sympathy and support. According to the victims' accounts, where the victim of a theft was of West Indian origin, the police were more likely to take some action, to make a full investigation, to move quickly and to catch the offender than when the victim was white or Asian. London police carried out about 1·5 million stops in a year and some 100,000 offences a year were detected in this way. But stops that did not bring such a result caused hostility to the police among a substantial proportion of young people, and of young black people in particular. The report recommends that stopping practices should be tied in with a more purposeful approach to policing, leading to a sharp reduction in the number of stops.

Most Londoners were satisfied with the service provided by the police: for example, three-quarters of victims of reported crime were satisfied with the way that police officers dealt with the matter. However, one-tenth of Londoners thought that police officers often engaged in serious misconduct and more than half of young black people thought this. About 20 per cent of people who had been arrested claimed that unreasonable threats or unjustified force were used and the researchers considered that excessive force had been used in nine of the 100 arrests they observed. Racialist language was pervasive in the force, but tension in day-to-day dealings between police and black people was much less than this might have led one to expect. Also, observations showed that officers who were racially prejudiced rarely behaved in a prejudiced way towards members of the public.

There was a gap between the formal rules of procedure affecting evidence and the 'working rules' of police officers, and improvement in

[1] *Police and People in London*, Report by the Policy Studies Institute.
Vol I: *A Survey of Londoners*, by David J. Smith, £6·50. ISBN 0 85374 223 5.
Vol II: *A Group of Young Black People*, by Stephen Small, £4. ISBN 0 85374 224 3.
Vol III: *A Survey of Police Officers*, by David J. Smith, £5·50. ISBN 0 85374 225 1.
Vol IV: *The Police in Action*, by David J. Smith and Jeremy Gray, £6·50. ISBN 0 85374 226 X.
Available from the Policy Studies Institute, 1/2 Castle Lane, London SW1E 6DR.

The Policy Studies Institute is an independent social and economic research unit which is also a registered charity. It was formed in 1978 from the Centre for Studies in Social Policy and Political and Economic Planning and is funded by research grants and by foundations.

policing skills was the most important way to achieve better practice in this respect. The management and organisation of the force had tended to emphasise set procedures rather than define positive objectives of policing. This had created a vacuum which had been filled by a tendency to place an undue emphasis on the need to achieve dominance and avoid losing face, on excitement and the glamour of violence, and placed too little value on providing help, sympathy and support. The report makes a series of recommendations aimed at defining positive objectives at all levels and at bringing together the formal aims of the organisation and the informal objectives of working groups.

The authors of the report conclude that there were strong indications that the need for change was now recognised within the force and that the organisation was beginning to change in the directions suggested by their analysis.

Response of the Metropolitan Police

In a statement giving his general reactions the Commissioner of the Metropolitan Police, Sir Kenneth Newman, said that he welcomed the report and would give its recommendations serious consideration. He pointed out that the period covered by its research was from 1979 to the late summer of 1982 and that the Policy Studies Institute had been examining the force during and in the aftermath of the 1981 disturbances (see pp 241-4, 1981, and pp 373-8, 1981).

Turning to the report itself, the Commissioner said that it would surely contribute to a more informed and constructive debate about the policing of London. A report of this nature and scope was bound to reveal defects and deficiencies, as well as strengths and areas of competence, and a number of flaws had been revealed. Some of the deficiencies were serious and required considerable remedial action; however, a programme of action was already under way. Though, in general, he accepted the report's findings, there were occasions when he felt that he would have drawn different conclusions from those of the authors. Similarly, he did not accept their recommendations as the only remedies available to overcome the problems identified.

The planning process which he had evolved since becoming Commissioner in October 1982, Sir Kenneth continued, gave everyone in the force the opportunity to contribute to an annual planning round which identified problems and priorities and evolved strategies and tactics designed to achieve declared objectives (see pp 82-3). The report complemented and confirmed much of the work already carried out by the Metropolitan Police and was another valuable piece of the jigsaw of information which the force was constructing about the policing of London. The force's own divisional planning process included community consultation and questionnaires. It had established consultative committees in 17 London boroughs and these provided valuable feedback on local policing.

Sir Kenneth ended his statement with a quotation from the report: 'We see our research as part of an attempt to create the conditions in which people can discuss the issues with better information and more understanding. By initiating and supporting this research, the Metropolitan Police have shown that they wish to participate in a discussion of this kind. This is an atmosphere in which important changes in London's policing can be brought about.' The Commissioner added that the process of change was well under way.

Meeting Between Home Secretary and Commissioner

Later, following a discussion of the report with the Commissioner on 28 November, the Home Secretary, Mr Leon Brittan, said that the Commissioner had his full support in the measures he was taking to meet those criticisms in the report which were justified. Both he and the Commissioner were determined to see that everything was done to meet justifiable criticisms.

During the meeting the Commissioner told the Home Secretary that many of the report's criticisms had already been met by changes introduced since October 1982; radical improvements had, for example, taken place in race relations training and further developments were being explored. Initial training for recruits had been extended by one month, and to improve the quality and extent of first-time supervision, particularly for young officers, an extra 112 sergeants had been placed back in the police Districts. The supervision of the Criminal Investigation Department had been similarly improved.

The Commissioner also expressed his determination to improve the quality of service to the public and stressed the importance which he laid on the need for all officers in the force to behave in a professional manner towards all members of the community. He would be promulgating a code of professional conduct designed to give positive guidance to officers and their supervisors. He added that the quality of recruits was improving all the time – for example, the force now had more graduates than ever before.

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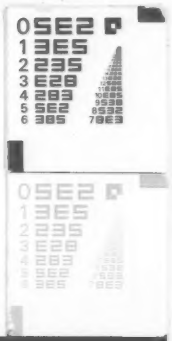
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